



## Testimony Regarding S.B. 842: An Act Concerning Health Insurance and Health Care in CT

Karen Siegel, MPH  
Insurance and Real Estate Committee  
February 9, 2021

Dear Senator Lesser, Representative Wood, Senator Anwar, Representative Comey, and esteemed members of the Insurance and Real Estate Committee,

My name is Karen Siegel and I am testifying today on behalf of Health Equity Solutions, where I serve as Director of Policy. Health Equity Solutions is a nonprofit organization with a statewide focus on promoting policies, programs, and practices that result in equitable health care access, delivery, and outcomes for all people in Connecticut. Our vision is for every Connecticut resident to attain optimal health regardless of race, ethnicity, or socioeconomic status.

In order to address barriers in Connecticut regarding health equity and health care and to ensure policy priorities are community informed, Health Equity Solutions conducts annual listening sessions. Healthcare access and affordability was one of the top two health equity priorities identified by our partners for 2021.<sup>1</sup>

Since affordability can mean many things, we also held a series of community conversations asking people what affordable health care means to them. As a result of these conversations and our analysis of the health equity impact of the proposals in this bill, **we strongly support restoring HUSKY A eligibility for parents to 201% of the federal poverty level (FPL) and creating access to health insurance for undocumented immigrants.** Until details are clarified or more data is made available, it is not possible to assess the impact of subsidies or a public option for small groups on equity in health insurance coverage in Connecticut.

As a result of cuts made in 2015, over 11,000 parents and caregivers lost their HUSKY Health (Medicaid) coverage in 2016. As of November 2017, when tracking ended, 78% of these parents had no known insurance coverage.<sup>2</sup> Why didn't these parents just buy insurance on the state's exchange (Access Health CT)? Health insurance, even with cost sharing and premium subsidies, can be unaffordable for families in this income bracket. In 2021, a family of 4 with a household income of \$42,000 /year (just over the Medicaid eligibility limit) could spend up to 16% (\$6,700) of the total family income on premiums and out-of-pocket costs to cover two adults on the health insurance exchange (the children would remain eligible for HUSKY coverage).<sup>3</sup>

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<sup>1</sup> Health Equity Solutions. Health Equity Solutions 2020 Listening Sessions. Retrieved from: <https://www.hesct.org/blog/health-equity-solutions-2020-listening-sessions/>

<sup>2</sup> Connecticut Voices for Children. (2018). "HUSKY A for Parents and Caregivers: Restoring Health Coverage for Families." Retrieved from: <https://ctvoices.org/wp-content/uploads/2018/04/Husky-coverage-fact-sheet-v2.pdf>

<sup>3</sup> Scenarios run on AccessHealthCT.com during open enrollment. Calculations are based on premiums plus out-of-pocket maximum for a Silver plan because this includes full cost-sharing subsidies; premiums are lower for Bronze plans, but total out-of-pocket costs are much higher. This scenario assumes the adults are age 30 and live in Litchfield, New London, or Windham County. The lowest out-of-pocket total (for parents age 43-45 living in Fairfield county) would be 13% of family income or \$5,436. In a family of 3 covering one adult with a household income of \$35,000, the costs (depending on age and county) are approximately 10% of income—still quite burdensome.



Restoring eligibility rates for parents in HUSKY A to 201%FPL (\$44,139 for a family of three in 2021) will align parent and child eligibility, eliminating confusion about which members of a family have coverage.

In Connecticut, people earning 100-199%FPL (\$21,960-43,700) have the highest rate of uninsurance (13.9%).<sup>4</sup> This is largely due to the high costs of coverage, as this population includes most adults who just exceed Medicaid income limits. Subsidies for people in this income bracket could increase rates of insurance. To truly increase access to care and utilization of health care, such subsidies must mitigate the impact of deductibles and other out-of-pocket costs.

Further, affordability is not the only barrier. Another key obstacle is immigration status. Many immigrants are ineligible for Medicaid based on their visa status and immigrants without documents are ineligible for Medicaid AND unable to purchase health insurance. Based on country-of-origin estimates, it is reasonable to assume that the majority of immigrants without documents living in Connecticut are people of color.<sup>5</sup> An estimated 23% of uninsured people in Connecticut are immigrants without legal status.<sup>6</sup> It follows that creating pathways to health insurance for all immigrants is part of addressing inequities in coverage.

To ensure affordable health care for more of Connecticut's residents and address inequities in coverage, we suggest **the public option and subsidy proposals also included in this bill be amended to:**

1. require standardized collection of race and ethnicity data;
2. engage consumers, and people of color in particular, in decision-making about the allocation of subsidies and design of plans; and
3. ensure total out-of-pocket costs do not deter the insured from seeking care.

Standardized collection of race and ethnicity data is vital to identifying and addressing inequities as these programs take shape. Similarly, engaging people of color in the design, execution, evaluation, and course correction of these initiatives can ensure that equity is embedded in them. Finally, any insurance coverage is better than none if people are to avoid economic crises when illness or accidents occur, but treatment of chronic disease requires that people do not avoid care when they cannot afford out-of-pocket costs. So, addressing the total costs of care is crucial.

Access to health insurance is key to access to health care and people of color in Connecticut continue to experience dramatic inequities in rates of insurance coverage.<sup>7</sup> Structural racism and related income

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<sup>4</sup> Kaiser Family Foundation analysis of 2019 American Community Survey data. Available at: <https://www.kff.org/uninsured/state-indicator/nonelderly-uninsured-rate-federal-poverty-level-fpl/?currentTimeframe=0&selectedRows=%7B%22states%22:%7B%22connecticut%22:%7B%7D%7D%7D&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D>

<sup>5</sup> Migration Policy Institute analysis of 2014-2018 U.S. Census Bureau data. Available at: <https://www.migrationpolicy.org/data/authorized-immigrant-population/state/CT>

<sup>6</sup> CT Health Foundation. (2020) "Health Disparities in CT." Retrieved from: <https://www.cthealth.org/wp-content/uploads/2020/01/Health-disparities-in-Connecticut.pdf>

<sup>7</sup> Kaiser Family Foundation analysis of 2019 American Community Survey data. Available at: <https://www.kff.org/uninsured/state-indicator/nonelderly-uninsured-rate-by-raceethnicity/?currentTimeframe=0&selectedRows=%7B%22states%22:%7B%22connecticut%22:%7B%7D%7D%7D&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D>

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inequality mean that Connecticut's people of color are disproportionately likely to work in low-wage jobs that do not offer health insurance or that offer coverage that is too costly to afford. As a result, ensuring access to health insurance is a crucial part of advancing health equity in our state.

Thank you for the opportunity to submit this testimony regarding health insurance affordability. I can be reached with any questions at [ksiegel@hesct.org](mailto:ksiegel@hesct.org) or 860.937.6437.