

**Insurance and Real Estate Committee
February 9, 2021**

**Testimony Re: S.B. No. 842 AAC CONCERNING HEALTH INSURANCE AND
HEALTH CARE IN CONNECTICUT**

Co-Chairs Lesser and Wood, Ranking Members Hwang and Pavalock-D Amato and members of the Insurance Committee.

I want to thank you for taking the time to consider my thoughts and recommendations regarding this legislation.

As a member of the Connecticut Association of Health Underwriters, Health Care Cabinet and Shop Advisory Counsel, I understand the complexities of creating and implementing legislation to serve the residents of Connecticut. Clearly all stakeholders want the best for our residents and work very hard to find solutions to improve our health care system.

To that end, I would ask that the Committee specifically, and the Legislature generally include Employee Benefits Consultants and Insurance Brokers as valued stakeholders. There is much we as professionals have to offer on the impact of changes to the system. We have a unique perspective of the impact on employers, employees and the insurance companies. We sit at the juncture of these parties coming together and see firsthand how well-intentioned changes can create disruptive and punitive outcomes. Too many times, I have seen an "Improvement" result in higher costs or diminished access for employers and employees. I humbly ask we be included in the planning and implementation to share our industry and community knowledge.

As it relates to the specific legislation, I have grave concerns about the impact this would have on the small group insurance market. The small group market has been consistently shrinking with the "good" risk moving to alternative funding arrangements in the form of level premium partially self-funded health plans. If the Public Option further erodes the market, employer options will be even more limited than they are currently. Additionally, the cost of the products within the diminished small group market will become increasingly unmanageable.

I am supportive of changes to support Connecticut residents and will continue to work hard to find the right solutions for all. I believe choice is a critical element of our system but if the Public Option has a competitive advantage, private options will leave the market eliminating competitive choice.

It is my opinion that the problem with health care is bigger than the problems with health insurance and I offer to be a partner in helping to find a solution that is comprehensive and includes all the stakeholders.

Sincerely,

Shelly A. Sweatt
Vice President, TR Paul Inc.