

Insurance and Real Estate Committee

MEETING MINUTES

Thursday, March 11, 2021

9:00 AM in Zoom and YouTube Live

The meeting was called to order at **10:00 AM** by Chairman, Sen. Lesser M. S09.

The following committee members were present:

Senators: Anwar S. S03; Cabrera J. S17; Hwang T. S28; Lesser M. S09;
Maroney J. S14

Representatives: Comey R. 102; Dathan L. 142; Delnicki T. 014; Farrar K. 020;
Luxenberg G. 012; Meskers S. 150; Nuccio T. 053; Pavalock-
D'Amato C. 077; Perillo J. 113; Polletta J. 068; Riley E. 046;
Rochelle K. 104; Wood K. 029

Absent were:

Senators:

Representatives:

Sen. Lesser M. S09 convened the meeting at 10:00am and recognized co-chair Rep. Wood K. 029.

Rep. Wood K. 029 welcomed and thanked everyone for their patience and is looking forward to the discussion.

Sen. Hwang T. S28 appreciated the time to caucus and is looking forward to the positive dialogue in moving the issues forward.

Rep. Pavalock-D'Amato C. 077 thanked everyone for their presence and is looking forward to the next couple weeks of meetings and hearings.

A motion was duly made to JFS S.B. 842 by Rep. Dathan L. 142 and seconded by Rep. Farrar K. 020.

Sen. Lesser M. S09 thanked the committee for their patience in discussing one of the biggest bills in the committee. He acknowledges the current health care crisis due to the pandemic and the health insurance crises. Where many families have lost their jobs and access to their health insurance as well as small businesses hanging by a thread. He mentions the bill is a good faith bill to address those issues. The bill is an affordable option for nonprofits and small businesses to bring down premiums and deductibles. Making sure immigrants can purchase health insurance and expanding Medicaid to address the gaps of poverty and health insurance coverage as well as helping those who have insurance to have even better coverage. He acknowledged that there are a lot of concerns but there has been changes to make it better. Changes include that the comptroller cannot cherry pick risks and to protect the taxpayer. Tax payers will be protected from down-side risk by requiring an independent actuarial firm to develop premiums, audits and annual data to show transparency. All in the acknowledgment of the health care crisis and good faith to have a plan that is for the people of CT on a bi-partisan basis for affordable health insurance. Urges the members to vote in favor of the bill and brings up the two major bills in the federal government that will supplement the bill before the committee. He mentioned Massachusetts and their efforts to bridge the health inequities in their state and that CT too can do the same.

Sen. Hwang T. S28 thanked Rep. Dathan L. 142 for her interim role and being a messenger. He mentioned Republicans, Democrats and the Governor share the sentiment of wanting to better manage health care costs as it is unsustainable, and all interested parties have offered a solution. The Republican party in SB 1006 which will have a public hearing after the current vote. The Governor's bill HB 6447 which had a public hearing Tuesday and was incredibly informative and offered many assessments, benchmarks and innovative ideas. There was much receptiveness and transparency and accountability which is not the direction of SB 842 which will be voted on today. Sen. Hwang T. S28 mentions not one plan is perfect but wants to work to create a bill incorporating the best of each bill to move forward to address the issues. He is disappointed for the rush of the bill and questions the good faith effort as there was no discussion, screening or involvement from the Senate Republicans at all. He asks those to vote no so that they can continue to work on a better product.

Sen. Lesser M. S09 shared that there was no disrespect intended to the Senator and ranking members as the language was shared as quickly as possible and welcomes the ideas of all the members.

Sen. Hwang T. S28 appreciated the language being sent to him but still had no time, screening or discussions in order to make the best possible decision for the bill. Shared that there is a public hearing for SB 1006 just after the current meeting and has deep concerns for this rush.

Rep. Wood K. 029 mentioned that she too received the bill late and asked for many changes and that the current language does not go far enough for consumer protections and the state budget. She followed up on Sen. Hwang's comments stating that a solution to concerns would be a comprehensive audit and fully insured plan. Pursuant to rule 5c she offered an amendment to SB 842 and asked for a roll call vote.

A motion was duly made to amend SB 842 by Rep. Wood K. 029 and seconded by Rep. Meskers S. 150.

Sen. Lesser M. S09 asked if the amendment where adopted will prohibit cost containment measures to the bill?

Rep. Wood K. 029 stated it will not.

Sen. Lesser M. S09 mentioned that one of the cost containment measures in the bill is pooling of lives to manage risks. Is that prohibited by the amendment?

Rep. Wood K. 029 asked if the state comptroller was planning on pooling all of risks or doing a separate plan. She stated to her understanding that this will not be offered under the same benefits and plans because of the expense.

Sen. Lesser M. S09 asked for the text of the amendment from LCO.

LCO could not provide at that time.

Sen. Lesser M. S09 asked if the amendment was an oral amendment or written.

Rep. Wood K. 029 stated it was an oral amendment.

Sen. Lesser M.S 09 asked LCO if they had the text of the amendment.

LCO stated they did not but can refer to the video recording for the amendment that Rep. Woods moved.

Sen. Lesser M. S09 asked if Rep. Woods be willing to share the amendment on the screen or share the amendment.

Rep. Wood K. 029 reads the amendment as follows "the substitute SB 842 amendment would require that any new or existing plan offered by the comptroller and intended to cover any multi-employer plan, nonprofit employer or small employer shall be offered on a fully insured basis in compliance with Title 38 as of the general statutes. Additionally, the auditors of public accounts shall audit the books and accounts of the state comptroller and any third-party administrator engaged by the comptroller maintained for by the partnership plan or plans or the state employee plans and certify the results to the governor." Urges members to vote for the two changes proposed in the amendment.

Sen. Lesser M.S 09 asked where the amendment would be added in the bill.

Rep. Wood K. 029 stated it could be added to the end of section 2.

Sen. Lesser M. S09 asked for clarification to Rep. Wood's response for the members of the committee and LCO.

Rep. Wood K. 029 asked LCO to move forward with the vote on the amendment.

LCO could not weigh in but reminded there is a motion on the floor.

Sen. Lesser M. S09 mentioned he wants clarity on where the bill will be and wants to ensure that the members of the committee are aware of the changes by the amendment.

Rep. Wood K. 029 listed where the changes would be in specifics. She stated the changes would put the checks and balances and ease concerns from state budget and consumer protections.

Sen. Lesser M. S09 is concerned because the changes are not clear and mentioned the requirement for the vaccine funds and how the amendment affects it.

A motion was duly made to call the question by Rep. Pavalock-D'Amato C. 077 and seconded by Nuccio T. 053.

The Clerk called the vote: 9 yea, 9 nay

Motion Fails.

Sen. Lesser M. S09 proceeded with debate and shared the importance of extending the right of unlimited debate on any issue and not silencing any voices. The precedent made was unusual and shocking. He asked the members to think about its traditions and not stop speeches which half of the members just voted to do. He asked if the amendment addresses the second vaccine coverage in the bill?

Rep. Wood K. 029 stated the change would make the plan fully insurance and would cancel out the assessment in the jfs language.

Sen. Lesser M. S09 asked for clarification on previous statement and in reference to line 668.

Rep. Wood K. 029 mentioned it would be referenced in the fully insured language.

Sen. Lesser M. S09 continued to ask for clarification in reference to the line 668 language and the amendment.

Rep. Wood K. 029 clarified that the language she asked for is not the language currently in the bill and is okay with more transparency being added to the bill.

Sen. Lesser M. S09 questioned line 337 and asked how that effects the amendment proposed by Rep. Wood.

Rep. Wood K. 029 stated that the fully insured language would assure the comptroller is paying the same assessments that the fully insured market pays and will not need further reference.

Sen. Lesser M. S09 asked for more clarification regarding section 3 and the direction of the assessment to the health insurance exchange account.

Rep. Wood K. 029 states the way the bill is currently written it will defund the health insurance exchange account but with the proposed amendment it will not defund the areas.

Sen. Lesser M. S09 clarified he meant the account being defunded.

Rep. Wood K. 029 stated she does not seek to defund the account and gives precedence to LCO.

Chair Sen. Lesser M. S09 stood at ease.

Sen. Lesser M. S09 called the meeting back to order and opened to discussion. Urged members to reject the amendment because there is already auditing requirement in the bill and requires external auditors. He mentioned the type of auditing in the amendment is not within the purview of the comptroller's office.

Sen. Anwar S. S03 asked for the intention of the bill and if it would favor the consumers or insurance industries.

Rep. Wood K. 029 stated it is in favor of the consumers and tax payers in Connecticut.

Sen. Lesser M. S09 clarified that the members do not question the motives of each other.

Sen. Anwar S. S03 agreed with Sen. Lesser and mentioned that a similar process occurred in Washington States that harmed consumers and they are looking at the language in CT to ensure the benefit to the consumers. He will be voting against the amendment and urged colleagues to do so as well.

Rep. Meskers S. 150 emphasized that these are difficult decisions to make and the stakeholders are sending much misdirection. Comptroller Lembo is doing an incredibly hard and challenging job to manage the reduction of health care costs. He preferred a better auditing process and wanted a public view on it. It is a work in progress and is in favor of a public option but wants to make sure all is protected.

Rep. Nuccio T. 053 stated the audit language is not strong enough and would like for there to be language required a certified actuarial auditor.

The Clerk called a roll call vote: 10 yea, 8 nay.

Motion Passed.

Sen. Lesser M. S09 called to stand at ease.

Sen. Lesser M. S09 called the committee back to order.

Sen. Lesser M. S09 recessed the committee meeting

Sen. Lesser M. S09 called to order the public hearing.

Sen. Lesser M. S09 recessed the public hearing till 1:00pm

Sen. Lesser M. S09 called the meeting to order and noted the amendment passed.

Rep. Pavalock-D'Amato C. 077 wanted to respond to comments made by the chair earlier. She is concerned that she had insufficient time to read or caucus to effectively debate the bill. She also recalls that the call to question is not as rare as mentioned

previously and there was no meaningful debate happening before the committee. She stated there's a lot to be done and urges colleges not to support the underlying bill.

Sen. Hwang T. S03 emphasized that SB 842 is the biggest bill in the committee and that it is a challenge that it is being rushed and not given adequate time and discussion. He believes that there can be a collaboration and get a better solution. He states this bill needs work and should not be voted on because of the public hearing happening after the vote. Urges to vote this down and create a better bill that is not incomplete. Health care should not be a party line decision and is eager for the feedback from the public hearing.

Sen. Lesser M. S09 Disappointed the amendment passed and regardless the bill is a good faith effort and urges members to support the bill as amended.

The Clerk called a roll vote: 12 yea, 6 nay

Motion as amended passed.

Sen. Lesser M. S09 recessed the committee meeting.

Sen. Lesser M. S09 called to order the committee meeting.

A motion was duly made to JF HB6387 by Rep. Dathan L. 142 and seconded by Sen. Maroney J. S14.

The Clerk called a roll vote: 18 yea, 0 nay

Motion Passed.

A motion was duly made by Rep. Wood K. 029 and seconded by Rep. Meskers S.150 to adjourn the meeting.

The meeting was adjourned at 5:27 PM.

Administrator

Asst Clerk Christina Cruz
Committee Clerk