Testimony of the Connecticut State Medical Society  
House Bill 6447  
An Act Creating the Covered Connecticut Program to Expand Access to Affordable Health Care  
Insurance Committee  
March 9, 2021

Senator Lesser, Representative Wood and distinguished members of the Insurance and Real Estate Committee, on behalf of the physicians and physicians in training of the Connecticut State Medical Society (CSMS), thank you for the opportunity to provide testimony on House Bill 6447, An Act Creating the Covered Connecticut Program to Expand Access to Affordable Health Care.

We commend the Governor for introducing this legislation. As physicians, we support access to health care by creating affordable and expanded insurance options that work for patients and providers.

CSMS believes, however, that the intentions of this Bill would be best achieved with changes to this legislation.

The Covered Connecticut program seeks to expand health care insurance options for the uninsured in Connecticut. One mechanism for doing this is to increase state subsidies to encourage greater participation on the Connecticut Health Insurance Exchange (Exchange) platform. The plans offered for purchase on the Exchange are high-deductible health plans (HDHPs) with family deductibles that could exceed $15,000. HB 6447 would drive more patients to HDHPs, ultimately exacerbating the already dire issues we are seeing with HDHPs.

It is no secret that the impact of HDHPs has negative consequence on both patient health and on the quality of the physician-patient relationship. Numerous studies have shown that HDHPs cause patients to forego needed medical care because of the high out-of-pocket expenses. As patients are responsible for more of the health care dollar, we see significant delays in accessing care that in the long run result in more expensive care and hospitalization.

HDHPs were designed by the insurance companies yet physicians are the ones responsible for collecting significant out of pocket costs from patients. Unpaid costs leave patients hesitant to return for needed medical care and threaten the fragile viability of independent medical practices in Connecticut, many of which are already teetering on the edge of collapse due to the COVID-19 pandemic. New studies are emerging that show HDHPs may compound structural inequities in health care. A 2020 study showed that black cancer survivors with HDHPs are more likely to struggle financially than their white counterparts. HDHPs may be driving further disparities in health outcomes.

As such, CSMS strongly encourages that the recommendations of the HDHP Workgroup convened by this legislature last year, that included, among other recommendations, a recommendation to
shift the HDHP collection obligation to the insurer, be incorporated into House Bill 6447. The sanctity of the physician-patient relationship is forever damaged by physicians serving as collection agencies. Shifting this collection obligation to the insurer, who controls the process, will preserve the physician-patient relationship thereby helping to ensure that patients seek medically necessary care.

The Covered Connecticut program also contemplates expanding the Medicaid program in Connecticut to reach a greater number of residents. Again, CSMS supports expanded access to health care for our residents. However, the Medicaid physician network is lacking in participation. Currently, there are long wait times for in-demand specialties as fewer physicians elect to participate in the Medicaid network. The reality is that in many specialties, the reimbursement rates under the Medicaid program do not even cover physician costs. As more physician offices are struggling during the COVID-19 pandemic, we suspect we will see even fewer physicians opting into the Medicaid network. This, coupled with the proposed Medicaid expansion, creates a wholly inadequate network for Connecticut’s residents. In addition, the highly onerous, prejudicial and unbalanced audit procedures for Medicaid participating physicians are driving physicians out of the Medicaid network.

We must look at the Medicaid network concerns in tandem with this proposed Bill: it would be unfair to the residents and physicians of Connecticut to expand participation into a broken network. We should collectively look for solutions to fix Connecticut’s Medicaid system so that more physicians are encouraged to participate, thereby creating an adequate network for quality patient care.

Access to affordable health care is critical for all patients in Connecticut. We would welcome being part of further discussions with the Governor’s office and this Committee about the concerns we have set forth in hopes that we can create robust legislation that will benefit all of the patients and physicians in Connecticut.