



Testimony of W. Wyatt Bosworth
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Before the Committee on Insurance & Real Estate
Hartford, Connecticut
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Testifying in Support of:

House Bill 6712: AAC The Removal Of Assessments On The Connecticut Health Insurance Exchange

My name is Wyatt Bosworth and I am assistant counsel for CBIA, the Connecticut Business & Industry Association. CBIA is Connecticut's largest business organization, with thousands of member companies, small and large, representing a diverse range of industries from across the state. Ninety-five percent of our member companies are small businesses, with less than 100 employees. Thank you for the opportunity to testify in **support of HB 6712: AAC The Removal Of Assessments On The Connecticut Health Insurance Exchange.**

Taxes, assessments and fees continue to be major cost drivers for small employers who offer fully insured small group health insurance for their employees. HB 6712 is a step in the right direction by (1) eliminating all assessments and user fees levied on health carriers offering qualified health plans through the exchange; and (2) reducing the premium tax on domestic and foreign insurance companies from 1.5% to 1.0%.

Section one would completely eliminate all assessments and fees on the exchange. As of last year, Access Health CT covered more than 27,000 lives through small group health insurance products. By eliminating this annual assessment, more than \$32 million would be put back into the pockets of small employers and individuals on the exchange. To put this \$32 million in perspective, this translates to an average annual cost of the assessment to a family of four is \$244.

Sections 4 and 5 would reduce the premium tax levied on domestic and foreign insurers from 1.5% to 1.0%. This would benefit more than 106,000 lives enrolled in on-exchange and off-exchange plans. This would reduce the annual cost to a family of four policy by approximately \$540.

These tax and assessment reductions will provide immediate relief to small employers who are struggling to afford coverage for their employees. With a historic workforce shortage of more than 100,000 open positions,

inflation, and the economy still rebounding following the COVID-19 pandemic , we need to do everything in our power to ease the financial burden small employers face. CBIA urges the committee to support HB 6712.