



Testimony in Opposition to Senate Bill 1006: An Act Concerning Health Care Costs, the Connecticut Health Insurance Exchange and Health Equity

**Universal Health Care Foundation of Connecticut
March 10, 2021**

Thank you for the opportunity to submit testimony on SB 1006, *An Act Concerning Health Care Costs, the Connecticut Health Insurance Exchange and Health Equity*.

We oppose this bill because it contains provisions that will work against the stated purpose in the title, to address health care costs and advance health equity.

Section 23 proposes that the state seek a waiver to establish a reinsurance program in Connecticut. Reinsurance requires state funding, dollars that could be much better spent to help more people gain access to coverage. It has always been seen primarily as a solution to help those whose incomes are too high to receive subsidies to afford coverage through Access Health CT, the state's Affordable Care Act (ACA) health insurance exchange. Unfortunately, using reinsurance to help this population could actually mean fewer subsidy dollars for lower income individuals.

With today's passage of the American Rescue Plan Act, the whole issue is moot. Thanks to this landmark bill, unsubsidized individuals will now be eligible for advance premium tax credits that will protect them from spending more than 8.5% of their income on premiums in 2021 and 2022 – a result far better than a reinsurance program could ever deliver. Therefore, there is no reason for the state to pursue reinsurance right now.

We object to the provision in Section 25 requiring future Access Health CT board members to have "expertise in the area of insurance". The board is there to guide the organization to achieve its mission: *"To increase the number of insured residents, improve health care quality, lower costs and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and provider that give them the best value."* Staff can provide insurance knowledge. A more glaring lack in the board's composition to be true to its mission is a requirement for a member who represents consumers' interests.

We do not believe that appointing a task force "to study inequity in the provision of health insurance coverage and health care to minority populations in this state" is the best route to advancing health equity. Plenty of recent studies are already available.

For example, Access Health CT published a study in October 2019, that identified who is uninsured, finding that Black residents were more likely to lack coverage than white residents, that Latinx residents were more than 2.5 times more likely to be uninsured, foreign born residents were 4 times more likely to be uninsured than those born in the United States, and non-citizens were 5 times more likely to be uninsured than naturalized

citizens coverage. And those with low and moderate incomes were most likely to be uninsured.ⁱ A more recent study found lack of good coverage to be an important driver of racial and ethnic health disparities.ⁱⁱ And DataHaven published a report in June that focuses on health equity and the impact of COVID-19 that includes useful information on coverage gaps.ⁱⁱⁱ

Instead of creating another task force to collect data and study an issue that has already been well-documented, we urge you to pass SB 842, An Act Concerning Health Insurance and Health Care in Connecticut. This bill takes a comprehensive approach to providing dependable, affordable coverage to many more people in our state, coverage that will have a direct impact on advancing health equity.

- SB 842 sets a specific goal of covering HUSKY parents and caregivers up to 201% FPL, recommitting our state to providing health care to hardworking, low-income families.
- SB 842 supports additional subsidies for individuals buying insurance through Access Health CT. Thanks to the passing of the American Rescue Plan Act, there is no need to focus on those whose incomes are above 400% FPL. Instead, the focus can be on improving affordability to those with lower incomes, above and beyond what the American Rescue Plan Act will do. For example, SB 842 proposes eliminating premiums for households with incomes up to 201% FPL.
- SB 842 creates new quality, cost effective options for small businesses, nonprofits and labor unions, allowing them to escape the cycle of unpredictable rate increases and eroding benefits.
- SB 842, along with SB 956, *An Act Providing Medical Assistance to Certain Individuals Regardless of Immigration Status*, focuses on offering HUSKY and subsidized private insurance options to the people most left out from coverage in Connecticut.

We oppose SB 1006 and urge you to move forward to pass SB 842 as a far more effective way to address health care costs and health disparities in Connecticut. This is a time for bold solutions. The people of our state are counting on you.

Universal Health Care Foundation of Connecticut's mission is to serve as a catalyst that engages residents and communities in shaping a democratic health system that provides universal access to quality, affordable, equitable health care and promotes health in Connecticut. We believe that health care is a fundamental right and that our work is part of a broader movement for social and economic justice.

ⁱ [Understanding underlying drivers, barriers and needs of the uninsured in Connecticut](#), Access Health CT, October 2019. (see pages 15-17)

ⁱⁱ [Health Disparities and Social Determinants of Health in Connecticut](#), Access Health CT, February 2021

ⁱⁱⁱ [Towards Health Equity in Connecticut, The Role of Social Inequality and the Impact of COVID-19](#), DataHaven, June 2020