



UNIVERSAL HEALTH CARE  
FOUNDATION OF CONNECTICUT

***Testimony of Lynne Ide, director of program & policy, Universal Health Care Foundation - at the CT Insurance Department hearing regarding proposed health insurance premium requests for the 2021 individual and small group markets  
September 2, 2020***

I appreciate the opportunity to testify this morning and also acknowledge the strange circumstance of speaking with you all via phone, rather than in person. The COVID-19 pandemic is challenging us all and it is certainly impacting the finances and health of many state residents.

I'll cut to the chase: This is not the time for *any* health insurance premium increases. People just can't afford it. A national report from Families USA showed that Connecticut's uninsured population had doubled in 2020 and I would bet that number is growing as we sit here. We do not need to pour salt on the wounds of those suffering with no insurance and/or no extra money to pay premiums, co-pays and deductibles.

Insurers are asking for increases in 2021, albeit smaller increases than usual. When CID issued its press release announcing the rate filings, Commissioner Mais was quoted saying: "The department will examine these filings with a fine-tooth comb to make sure these requested rates are consistent with state law. We will do everything we can to protect Connecticut health care consumers during the difficult COVID crisis."

Bravo. I applaud that sentiment, Commissioner Mais. The tens of thousands of unseen people in this hearing, including the 256 people who signed our petition opposing the rate increases, want you to keep your word on this. Please do everything you can, Commissioner, to protect the people who count on these plans. Deny the proposed rate increases.

I have attached the results of a statewide survey of Connecticut residents' views on health care, released yesterday by Universal Health Care Foundation and conducted by the nonpartisan Altarum Healthcare Value Hub. It is stunning how worried people are, across party lines, about the cost of health care and what they would like government to do. You should read it. 69% of the respondents who purchase their own insurance said they fear they will not be able to afford it.

We should all be listening to those consumer cries for relief. Now, I know that you will say to me that statutorily, you are not allowed to consider affordability to the consumer when reviewing these requests. In the past you have stated that there is no standard for consumer affordability. Well, it just so happens that the state Office of Health Strategy is working to develop a health care affordability index. It is not quite ready, but how about using the tool as a reference point in your rate review process this year? And in 2021, we would love to have CID as a partner in advocating to put this index into statute for you to use in future years. Only two insurers mentioned COVID in their filings, the impact was 1.7% and 2.3% respectively – and the other insurers did not mention COVID as a factor at all. They do not need more of our money in this pandemic. In fact, the pandemic has generally been good to

insurers' bottom line. Many are reporting higher rates of profit in 2020. For instance, Anthem's income doubled to \$2.3 billion in the second quarter.

The pandemic has also exposed the stark reality of systemic racial health inequity in our health care system. I want to commend Commissioner Mais on his work on this issue with the Special Executive Committee on Race and Insurance of the National Association of Insurance Commissioners. I'd like to raise up one of NAIC's recommendations for CID's consideration during this year's rate review process: "State insurance regulators should incorporate an equity component into rate and form review processes. States should not sanction products that use benefit designs, rating methodologies, or marketing practices that discriminate against racial, ethnic, and other populations subject to health inequities. Regulators should require health insurers to explicitly disclose how their product design and activities advance health equity and reduce disparities."

In closing, the effect of year after year of premium increases is cumulative – they are unsustainable, especially in this time of household financial and health insecurity. I urge CID to use every tool in their toolbox to protect consumers and turn down these requests to increase premiums in 2021. Commissioner Mais – please get out your fine-toothed comb!