



**TESTIMONY OF  
CONNECTICUT HOSPITAL ASSOCIATION  
SUBMITTED TO THE  
INSURANCE AND REAL ESTATE COMMITTEE  
Tuesday, February 9, 2021**

**SB 842, An Act Concerning Health Insurance And Health Care In Connecticut**

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **SB 842, An Act Concerning Health Insurance And Health Care In Connecticut**.

Every day, Connecticut hospitals and caregivers see how the lack of health insurance prevents people from getting the right care, at the right time, in the right place. Hospitals support helping people get health coverage to better ensure their access to essential medical and behavioral health services, and have long assisted patients with getting access to coverage available to them. We know that access to affordable health insurance that fairly and equitably reimburses healthcare providers for the cost of the services provided is essential to building a healthier Connecticut.

SB 842 contains several provisions that expand access to essential health coverage, which CHA supports, including:

- Seeking a state innovation waiver to assist in reducing the cost of health insurance coverage in the state by reducing premiums and cost-sharing
- Reducing the cost of health insurance coverage offered through the state's insurance marketplace (Access Health CT) for families with income at 200 percent or below the federal poverty level by, among other things, eliminating premiums for those families
- Authorizing the Office of Health Strategy (OHS), to create a subsidiary marketplace, to offer commercial health insurance options, along with premium and cost-sharing assistance, to individuals ineligible for coverage through Access Health CT
- Expanding HUSKY eligibility to persons who are disabled and regularly employed under certain parameters

SB 842 also authorizes the Comptroller to either open up the state employee health insurance program to multiemployer plans, nonprofit employers, and small businesses or to establish a new, separate health insurance program for multiemployer plans, nonprofit employers, and small businesses. CHA has concerns over the impact this expansion will have on the commercial health insurance market in Connecticut.

Government-administered health insurance programs have chronically under-reimbursed providers for care. For example, Medicare and Medicaid provide reimbursement to hospitals that is far short of the cost of care. Over the past ten years, undercompensated and uncompensated hospital care has more than doubled, increasing from \$800 billion in 2010 to nearly \$1.8 billion in 2019. Much of this cost burden is shifted to everyone covered by commercial insurance, primarily employers and their employees.

We must not adopt changes that will weaken the financial condition of Connecticut hospitals while they are struggling with unprecedented challenges to preserve the health and welfare of our residents during this global pandemic.

Finally, SB 842 imposes a new assessment, not to exceed \$50 million, on health insurers and organizations such as hospitals that administer self-insured plans. It appears this assessment would be imposed on every self-insured employer, including hospitals. Since early 2020, Connecticut's hospitals and health systems have been at the center of the global public health emergency, acting as the critical partner in the state's response to COVID-19. Hospitals expanded critical care capacity, stood up countless community COVID-19 testing locations, and are an essential component of the vaccine distribution plan. Through it all, hospitals and health systems have continued to provide high-quality care for everyone, regardless of ability to pay. This is not the time to increase costs to hospitals. Given the important role hospitals are playing to overcome COVID-19, we ask that you specifically exclude from this assessment a hospital that administers a self-insured plan.

Hospitals look forward to actively engaging in conversations about ways to expand access to health insurance and reduce the cost of care. These conversations must include a broader discussion about the various factors that contribute to the increasing costs of healthcare.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.