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**Testimony of Jennifer C. Jaff, Esq.
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In Support of Raised Bill Nos. 921 and 6323**

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Good afternoon. We appreciate this opportunity to submit written testimony to the Insurance and Real Estate Committee in support of Raised Bill Nos. 921 and 6323, both of which would establish an Exchange for purposes of implementation of the Patient Protection and Affordable Care Act (PPACA).

Advocacy for Patients with Chronic Illness provides free information, advice and advocacy services to patients with chronic illnesses, including chronic mental illnesses. In particular, we get hundreds of calls from consumers asking for help in identifying their insurance options. We base our comments on this experience.

Both Bills would establish a health insurance Exchange, consistent with the provisions of PPACA. They overlap to a very large extent, and based on our coalition work on a national level, we can say that they are similar to the implementation efforts of other States. There are some notable differences, though, and some respects in which both Bills could be strengthened.

For example, Raised Bill No. 6323, section 15(a)(16) states that the Exchange can limit the number of plans offered, and use selective criteria in determining which plans to offer, through the exchange, provided consumers have an adequate number and selection of choices. Raised Bill No. 921 does not so authorize the Exchange. As a general rule, we prefer to offer consumers as many options as are available. However, health insurance is complicated and consumers are easily overwhelmed. We know from the Medicare Part D experience that providing consumers with too many plans often resulted in the lack of informed choice by consumers, who simply gave up trying to compare plans and just chose one – often the wrong one for them. As long as appropriate selective criteria are used by the Exchange, we feel that some selectivity is appropriate.

We also feel strongly that the conflict of interest provisions of Raised Bill No. 6323 are superior to those of Raised Bill No. 921. Section 14(b)(3) of Raised Bill No. 6323 provides that no Director may be an employee of, or consultant to, an insurer, broker, health care provider, or health care facility; nor may they be a member of a trade association of insurers, brokers, or health care providers; and no Director shall be a health care provider who is compensated as such. Section 2(g) of Raised Bill No. 921 states only that there is no conflict of interest as long as a Director recuses him or herself from consideration of issues involving a firm or corporation in which the Director is a trustee, director, partner or officer, and it does not address the status of employees of interested firms or corporations. We feel strongly that no employee, officer, director, member, or trustee of any person, firm or corporation that wishes to sell a product on the Exchange should be a Director of the Exchange.