



CT SB 346:

A Recipe for Higher Taxes, Worse Care

Every American deserves affordable coverage and high-quality care. That's what **health insurance providers** are committed to delivering: **more choices and better quality at lower costs.**

We know that health care needs to be improved. But a **one-size-fits-all government insurance system** is not the answer. Americans want to **improve what's working and fix what's broken.**

Today, 94% of Connecticut residents have health care coverage¹. They have the kinds of coverage that satisfy overwhelming majorities of Americans. And among the main reasons why people like their coverage is **because of their benefits, and their control over their health care choices.** Patients in the United States have more health care choices than anywhere else in the world when it comes to coverage, doctors, and treatments.

Connecticut residents are concerned about costs. And we need to work together to make health care more affordable. **But these proposals do nothing to lower health care costs – and in fact are very likely to lead to higher taxes and worse care for everyone.**

✘ **Taxpayers will be on the hook for millions more dollars.**

The State of Connecticut Partnership Plan 2.0 is already losing money. It is currently paying out more in claims than it collects in premiums - running at more than a 100% loss ratio. And those losses are growing. The 2018-2019 plan year called for an 8% budget increase. For 2019-2020, it could double, with budget needs projected to be 10-15% higher. Adding more enrollees through the small employer buy-in proposal will only make the problem worse.

✘ **Small business buy-in to the state employee plan will cause taxes to skyrocket even more.**

Today, small businesses buy their own coverage, and in most cases, the insurance provider assumes the risk. But in the state employee plan, the state assumes all the risk for the people enrolled. Letting small businesses buy into the state employee plan means that taxpayers could be assuming the risk for thousands more people. And taxpayers have to pay those health care costs.

✘ **Health care costs will be shifted – not lowered.**

These proposals call for new plans in the individual market that have lower premiums than what's available today. The most likely way to get to those lower premiums, is to provide subsidies to consumers to help them afford their plan. That's just shifting costs from patients to taxpayers. We need real solutions that lower costs for everyone.

¹ <https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&selectedRows=%7B%22states%22:%7B%22connecticut%22:%7B%7D%7D%7D&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>



× **Patients will pay even more for prescription drugs.**

These proposals strip health insurance providers of important leverage to negotiate lower drug costs for patients. Connecticut will pay drug prices that are even more out of control than they are today.

× **Doctors and hospitals will suffer – and so will patient care.**

Let's imagine the state wants to protect taxpayers from some of these costs. The only other option is to pay doctors and hospitals less – with arbitrary pay cuts that do not consider quality, value, or the care that people need. Connecticut residents would wait longer to get the care they need.

Connecticut residents will pay more, to wait longer, for worse care.

That's why we're calling on Connecticut lawmakers to abandon these proposals, and to take a step back. Study the issues. Gather the data. Examine the costs, and how to lower them. Work with the free market to find out how we can improve affordability, care, and access for everyone.

We stand ready to work with Connecticut policymakers to achieve these goals.
