



Testimony of

**Sal Luciano, President
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Insurance & Real Estate Committee
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SB 346 An Act Concerning Public Options for Health Care in Connecticut

Good afternoon Senator Lesser, Representative Scanlon and members of the Insurance & Real Estate Committee. My name is Sal Luciano and I am proud to serve as the President of the Connecticut AFL-CIO, a federation of hundreds of local unions representing more than 220,000 workers in the private sector, public sector, and building trades. Our members live and work in every city and town in our state and reflect the diversity that makes Connecticut great. Thank you for the opportunity to provide testimony in support of SB 346 An Act Concerning Public Options for Health Care in Connecticut.

SB 346 creates a new option for those most often excluded in the current employer-provided health insurance marketplace – employees of small businesses and non-profit organizations. Many small businesses and nonprofit organizations cannot afford to provide health insurance to their employees. When people can't afford health insurance, they often avoid the doctor, skip medications or delay recommended screenings. That's not good for anyone's health or wellbeing and it also ends up making health care more expensive for everyone.

SB 346 authorizes the Comptroller to establish the "ConnectHealth" program to offer high-quality, low-cost health insurance coverage to small businesses, non-profits and unions with multi-employer Taft-Hartley plans by January 1, 2022. The plan designs emphasize preventative care and wellness, encouraging patients to utilize high-quality, lower-cost providers unlike the high deductible plans currently flooding the small group and individual markets.

Non-profits and small businesses will be able to voluntarily choose from a range of network and benefit designs, including dental care, offered at competitive prices realized by leveraging the negotiating power of the state employee plan. Comptroller Lembo has historically kept rate increases far below those experienced in the private sector. Without the motives of profits, and without high-paid executives to compensate, a much greater percentage of premium dollars can be spent on actual health care.

The bill also allows the Comptroller to leverage the buying power of the state employee health plan to create new options for labor unions with multi-employer Taft-Hartley plans. Unions can choose the plan that most aligns with their negotiated benefits, allowing them retain bargained wage increases and other benefits.

Recognizing that employees of small businesses and non-profit organizations can earn less than other employees, SB 346 also authorizes the creation of state-financed cost-sharing subsidies for those who do not qualify for subsidies under the Affordable Care Act. It's another way to give everyone the best opportunity to have affordable, high-quality healthcare.

SB 346 does not replace health plans offered by private insurers on and off the state health insurance exchange – Access Health CT. It does not replace Medicaid/HUSKY for low-income, disabled and elderly residents. It does not replace Medicare. And, it does not replace existing employer-sponsored coverage. SB 346 provides a new, voluntary option small businesses and non-profit organizations that currently find coverage cost-prohibitive.

We urge the Committee to support this bill.