

TESTIMONY PRESENTED TO THE PUBLIC HEALTH COMMITTEE
March 21, 2012

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Testimony Opposing Senate Bill No. 425

AN ACT CONCERNING A BASIC HEALTH PROGRAM

Senator Gerratana, Representative Ritter and distinguished members of the Public Health Committee, I am Jeannette DeJesus, Special Advisor to the Governor on Healthcare Reform. Thank you for the opportunity to testify on Senate Bill 425 - An Act Concerning a Basic Health Program.

I cannot support Senate Bill 425 because I believe that it is premature to make a commitment to establishing a Basic Health Program in Connecticut at this point in time. The Malloy Administration is committed to using every opportunity to enhance our health care reform efforts, but there are currently many important unanswered questions regarding the design, funding and functioning of a Basic Health Program. Until those questions are answered, it is difficult to evaluate whether it would be in the best interest of consumers, the State, and the Connecticut Health Insurance Exchange to establish such a program. Meaningful, sustainable and long-term solutions to some of our most pressing healthcare issues require a coordinated approach in which the interdependencies of our reform initiatives are carefully considered and weighed against each other. Only in this way can we ensure that in solving one healthcare problem we don't inadvertently create another.

Critical guidance and regulations from the federal government regarding a Basic Health Program have yet to be issued. This guidance is needed in order to evaluate how federal subsidy funds will be provided to the State for enrollees of a Basic Health Program as well as to clarify key design and benefits issues. The State must develop what the Essential Health Benefits will be for health insurance plans sold through Connecticut's Health Insurance Exchange since that will have a major impact on the Basic Health Program.

A number of critical issues must be addressed before the State can evaluate the merits of a Basic Health Program. We need to know how much a Basic Health Program will cost, the likely impact on the viability of the Connecticut Health Insurance Exchange, whether there will be sufficient Medicaid providers to adequately serve Basic Health Program enrollees, and whether Connecticut will be allowed to administer a Basic Health Program using the newly implemented Administrative Services Organization (ASO) arrangement.

To address these important issues, the Office of Health Reform & Innovation will immediately convene a workgroup comprised of representatives from the Legislature, the Health Insurance Exchange, the Sustinet Cabinet, the Department of Social Services and the Consumer Advisory Group to analyze information that will allow us to make the most informed decision about this important issue. I want to emphasize unequivocally, the administrations' commitment to addressing responsibly and comprehensively the healthcare needs of those rendered ineligible for Medicaid because they fall between 133% and 200% of the FPL.

Several important considerations will guide our work: 1) all CT residents should have access to affordable, high quality healthcare, 2) a Basic Health Program may not cost the State any additional funds; and 3) the decision to establish a Basic Health Program should be made in coordination with the Connecticut Health Insurance Exchange Board so that each program meets the needs of its consumers.

As noted above, there is much information that is needed before it can be determined that implementing a Basic Health Program in Connecticut will meet the Governor's commitment to improving access to affordable and meaningful health care insurance, reducing the number of uninsured in Connecticut, improving the quality and efficiency of our health care system and substantially reducing health disparities. I, along with others within the Malloy Administration look forward to working with you on this important issue.

Thank you.