

**Excerpt of Commissioner Starkowski's testimony on House Bill No. 5617 (Raised),
An Act Delaying Implementation of and Making Revisions to the Charter Oak
Health Plan:**

...I also want to voice my strong opposition to this legislation. As a practical matter, House Bill No. 5617 (Raised) would permanently dismantle Charter Oak under the guise of an implementation delay with enriched benefits that would effectively prevent its implementation due to increased cost to enrollees and taxpayers. Charter Oak, from its inception, was carefully crafted to balance the costs to the individual and the costs to the state.

The changes would completely and permanently derail the implementation because they would alter the fundamental structure, which made Charter Oak an affordable health coverage program.

Moreover, the bill removes all of the flexibility the state has to negotiate any flexibility in the benefit package. With these changes, it is inconceivable that the Charter Oak monthly premium could remain under \$250 without an enormous government subsidy. This is altogether counter to the premise of Charter Oak.

As DSS tries to guarantee continuity of services for HUSKY and Charter Oak enrollees with the same set of health insurers and with the same set of healthcare providers; and as DSS tries to achieve efficiencies through a combined bidding /contracting process, this bill would specifically prohibit these practices which will benefit the state and, most of all, the vulnerable children and adults we are here to serve.

While we respect the Legislature's right to review and revise programs, we also believe that Connecticut adults need affordable health coverage, and they need it in 2008. The problem with Raised Bill No. 5617 (besides needless delay) is that Charter Oak will probably *never* happen if the program cost to the State of Connecticut is too high. We saw this last year at the legislature -- a proposal for expensive, universal health care failed because of the high price tag. As approved by the Legislature in 2007, Charter Oak is a good, workable plan.

Charter Oak offers hope for a great many of our citizens. I urge the committee to reject this legislation.

In summary, Raised Bill No. 5617:

- Would not only delay the Charter Oak Health Plan for another year, it would effectively prevent it happening at all.
- It completely disrupts the program and needlessly hurts the uninsured adults in Connecticut who are waiting anxiously for their chance for affordable coverage beginning on July 1, 2008.

- The delay called for by the bill is bad enough – and the other specific provisions in the bill would make Charter Oak unaffordable for both consumers and taxpayers.
- It would also overturn the program as legislated last session (including the July 1, 2008, start date).
- Governor Rell, the Office of Policy and Management, the Department of Social Services, the Department of Public Health and the Office of Healthcare Access strongly oppose the bill, on behalf of Connecticut’s uninsured adults who are waiting for Charter Oak to help them access health coverage.
- Raised Bill No. 5617 is extremely detrimental to the thousands of uninsured adults in Connecticut who could benefit from the Charter Oak Health Plan in July.

Together, Raised Bill No. 5617 and the anti-joint procurement portion of Raised Bill No. 5618 (testimony below) represent a giant step backward when Connecticut is on the verge of great progress in covering our uninsured adults – while planning to streamline this new coverage with our existing, highly successful HUSKY program for children and low-income parents.

Excerpt of Commissioner Starkowski’s testimony (concerning Charter Oak Health Plan in relation to the HUSKY Plan) on Raised Bill No. 5618, An Act Concerning Revisions to the HUSKY Plan

Raised Bill No. 5618:

- Would delay HUSKY re-procurement another year.
- This would limit choices of health plans of more than 320,000 HUSKY beneficiaries.
- It would needlessly eliminate the state’s ability to jointly procure HUSKY and Charter Oak. Why is joint procurement important?
 - Helps the insurers achieve economies of scale with automated systems, enrollment processes, etc.; and, by extension, potential savings for the State of CT.
 - Helps enrolled families by enabling ‘one-stop shopping’ for health coverage for children AND adults (same insurers and same doctors spanning across children’s coverage, HUSKY A parental coverage, and – now--non-HUSKY adult coverage in Charter Oak).
 - Helps insurers with the new Charter Oak program by providing complementary bidding opportunity with HUSKY. This because HUSKY’s known actuarial and utilization data will help offset the actuarial assumptions (rather than HUSKY’s hard-core experiential data) of the brand-new Charter Oak program.
 - In short, joint procurement offers the promise of additional participating health plans, ease and convenience for enrolled

families, and potential savings for the state as insurers achieve economies of scale.