



**TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
INSURANCE AND REAL ESTATE COMMITTEE
Thursday, March 17, 2022**

HB 5410, An Act Concerning High Deductible Health Plans

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **HB 5410, An Act Concerning High Deductible Health Plans**. CHA supports efforts to improve the adequacy of health insurance products for individuals and families.

Since early 2020, hospitals and health systems have been at the center of Connecticut's response to the COVID-19 public health emergency, acting as a vital partner with the state and our communities. Hospitals expanded critical care capacity, procured essential equipment and supplies, and stood up countless community COVID-19 testing locations. Hospitals have been an essential component of the statewide vaccine distribution plan including efforts to reach and serve historically under-resourced communities disproportionately affected by the virus.

HB 5410 would limit a high deductible plan's annual deductible to the minimum amount necessary for the plan to meet the Internal Revenue Service (IRS) standard. For 2022, that minimum standard is \$1,400 for individual coverage and \$2,800 for family coverage.

CHA has significant concerns about the financial burden that these plans place on individuals and families, and the effect these plans are having on access to care. According to research conducted by the [Kaiser Family Foundation in 2019](#), of those individuals and families enrolled in high deductible health plans with deductibles of more than \$3,000 and \$5,000 respectively, over half reported personal savings less than the amount of their deductible. The same research found that those with high deductible health plans were also likely to report either postponing or skipping care. As the research demonstrates, true access to healthcare services relies a great deal on health insurance design, and not just on enrollment in any health insurance plan.

High deductible health plans also result in additional financial hardship on hospitals and health systems. Underinsurance, driven in part by the proliferation of these plans, is resulting in increasing levels of bad debt and charity care for insured individuals and families.

For these reasons, we support the legislation's intent to limit the negative effect these plans have on the health and financial well-being of individuals and families.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.