



**TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
INSURANCE AND REAL ESTATE COMMITTEE
Tuesday, February 21, 2023**

HB 6710, An Act Concerning Association Health Plans

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **HB 6710, An Act Concerning Association Health Plans**.

Connecticut hospitals continue to meet the challenges posed by the COVID-19 pandemic and are now facing new challenges of treating sicker patients than they saw before the pandemic, with a dedicated but smaller workforce who are exemplary but exhausted. They are also experiencing significant financial hardships brought on by record inflation. Through it all, hospitals have been steadfast, providing high-quality care for everyone who walks through their doors, regardless of ability to pay.

CHA supports the expansion of affordable, comprehensive health insurance options in our state. We know that insured individuals have greater access to regular sources of healthcare and this access can prevent more serious healthcare conditions from forming or getting worse through an individual's lifetime.

HB 6710 would authorize the offering of association health plans by sponsoring associations and provides a framework for their regulation and oversight.

Unfortunately, experience demonstrates that without appropriate regulation, association health plans can be vulnerable to fraud and insolvency. We appreciate that the legislation introduced during the current legislative session lays out a much more robust regulatory scheme than did previous versions in past sessions. Among those regulatory provisions outlined in the legislation, we highlight those that require Connecticut Department of Insurance oversight, require coverage of essential health benefits, and impose standards for solvency and actuarial soundness as imperative.

Additionally, we encourage the Committee to consider the impact that these plans may have on the overall health insurance marketplace. Association health plans are often designed to attract healthier, younger members, which can result in damaging risk pools that grow costlier as those left behind often require more costly and frequent healthcare services.

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