



127 Washington Avenue, East Building, 3rd Floor, North Haven, CT 06473
Phone (203) 865-0587 Fax (203) 865-4997 www.csms.org

Testimony in Support of
Senate Bill 902 AN ACT CONCERNING HIGH DEDUCTIBLE HEALTH PLANS
Insurance and Real Estate Committee
February 28, 2019

Senator Lesser, Representative Scanlon and members of the Insurance and Real Estate Committee, on behalf of the physicians and physicians in training of the Connecticut State Medical Society (CSMS), thank you for the opportunity to present this testimony to you today in support of Senate Bill 902 **AN ACT CONCERNING HIGH DEDUCTIBLE HEALTH PLANS.**

CSMS recognizes that health insurance is offered, and coverage is accepted or provided monthly yet high deductible health plans are set up more as annual products where patients have to reach a maximum threshold before most of the insurance coverage kicks in and the insurer pays for services and not the patient. However, more and more, employers, are jumping to different insurers as a result of costs, midyear or off cycle. This off cycle or midyear transition has caught those insured in a bind as their health savings accounts or health reimbursement accounts start over from zero as to what has been paid out tied to the health plans deductible requirements.

This bill appears to allow the deductibles to continue, across plan selection and not be limited by the insurer selected and rather are tied to the individual or family on an annual basis. This confusion on high deductible health plans (HDHP) limits and when insurance coverage kicks in (pays for services) and how much a patient owes, also causes a problem for physicians when it comes to estimating costs or coverage for their patients prior to and even after care is provided and it is often the physician who has to tell the patient that they have not met their deductible even though they already paid \$5,000 in claims in the calendar year, as a result of their employer's insurance transition. Yes, it is often the physician, who is the first to inform the patient, and this should not be the case.

CSMS supports this legislation that we believe will provide some greater flexibility to the high deductible health plan impact on patients and physicians and we anticipate it will also further the transparency surrounding high deductible health plan products and what responsibility the patient may have for payment for services provided. There are some federal laws and regulations that do limit or restrict how much a state can do regarding these products and especially the often-associated HSA and HRA financial accounts that are more specifically regulated under the US Department of Labor and US Internal Revenue Service rules and regulations. CSMS supports this bill's concept of making sure that patients are not paying their deductibles twice and have clear knowledge of how much a transition of insurance may cost them tied to these high deductible health plans.