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Government-run health coverage is bad for Connecticut.

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A toddler is part of a pro-public option group putting up a symbolic blockade outside Sen. Chuck Schumer's office in 2017. (Siegel for News)

Those of us in the insurance industry keep a close eye on developments in Hartford. With the industry having such a large presence in Connecticut, it's vital that legislators carefully consider how their actions will affect insurance companies, their customers, and their employees. Unfortunately, this careful consideration does not appear to be occurring during this year's legislative session.

What raises the concern of so many of us connected to Connecticut's insurance industry is the push to enact a "[public option](#)" or buy-in program. This would create a government-run health coverage program that would destabilize the private insurance market, hurt Connecticut companies and put us on the path towards a single-payer system.

From the discussions occurring in the General Assembly, it's clear that legislators are not aware of the numerous problems their [proposals](#) could cause. This is inexcusable. We have a state full of insurance experts. They are being excluded from the discussion, which will have devastating consequences if legislation results.

Insurance is a business that manages and assesses risk. The state of Connecticut shouldn't be in the business of managing risk using taxpayer money and other resources. The state employee health insurance plan is an expensive risk pool. Small group health risk is very volatile and requires substantial reserves and expertise to manage unforeseen utilization. There is absolutely nothing to suggest that the state can or will provide a sustainable small group offering that is cheaper or better than what the excellent professional health payers already offer in the open market.

What they are discussing will certainly affect private insurance companies, however. If this happens, every Connecticut resident will feel it. The insurance industry is incredibly important for Connecticut's economy. Over 5 percent of our gross state product is due to this industry. This is far higher than the national average.

Many Connecticut residents work for these companies. Nearly 3 percent of our state's workforce is employed by insurance carriers. No other state has this high concentration of insurance jobs compared to the rest of the economy. These are good-paying jobs, too, with average wages exceeding \$90,000 a year.

The last thing Connecticut needs is for government to encroach upon, or take over completely, the insurance industry. Given past history, I have no confidence that the government can effectively run a health coverage program that provides good value for both consumers and taxpayers.

The state has not shown itself capable of meeting its own obligations around other employer offerings like the state employees' pension plan. It is currently looking for towns and cities to contribute to teacher pensions since it has failed to fund them appropriately. Recently, [auditors pointed out problems at Access Health](#) documenting a lack of oversight and authority for payments and bidding. Taxpayer dollars should not be used by the state to compete with the legitimate businesses that provide these functions professionally with the appropriate infrastructure and reserves.

The inevitable result is that a "public option" or buy-in plan would be propped up by tax dollars, leading to large new burdens on individuals and businesses. It would use these taxpayer subsidies to undercut private insurance, destabilizing that market. The inevitable result would be a health insurance marketplace dominated by a government plan, or a single-payer system. That means the end to private insurance companies in the state.

Under single-payer, consumers would have no choices — they would get what the government gave them. Taxpayers would be responsible for the ever-escalating costs. And insurance company employees would be out of a job.