



State of Connecticut

SENATE

STATE CAPITOL
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SENATE REPUBLICAN OFFICES

November 3, 2022

Office of the State Comptroller
State of Connecticut
165 Capitol Avenue
Hartford, Connecticut 06106
comptroller.braswell@ct.gov

VIA ELECTRONIC DELIVERY

Dear Comptroller Braswell,

We are alarmed by the continued trouble experienced by the Connecticut Partnership Plan 2.0, the state-run public option health care plan. Recent reports highlight a growing shortfall of \$54.1 million for fiscal year 2022 and reports of at least eight group members leaving the plan this year, which raises significant concerns about the plan's affordability, sustainability, and value for members.

The Partnership Plan 2.0 was sold as a government run public option that would keep premiums low. In recent years Partnership Plan 2.0 premiums have increased and significant state taxpayer dollars have bailed out the failing system:

- In FY 2018, the plan had a **deficit of \$10.1 million**. State taxpayers covered the losses.^[1]
- In FY 2019, the plan had a **deficit of \$31.9 million**. State taxpayers covered the losses.
- In 2021, a **\$40 million bailout** was needed to keep the plan afloat.
- After that bailout, and contrary to promises that it would lower healthcare costs for Partnership members, the Partnership Plan 2.0 **increased premiums by 10.5%**, making care more expensive for teachers and municipal employees across the state.

Even with its uncompetitive advantage, the public option experience in Connecticut is still not affordable nor is its pricing competitive with private insurance. We see the writing on the wall for those who remain in the Partnership Plan 2.0 that none of the promises of the Affordable Care Act will be met. Either rates will be raised even further making unaffordable care even more expensive, benefits will be slashed reducing quality and limiting access to care, or taxpayers will have to pick up the tab for another failed program at a time when they are struggling.

^[1] <https://cthealthpolicy.org/wp-content/uploads/2021/02/Partnership-brief.pdf>

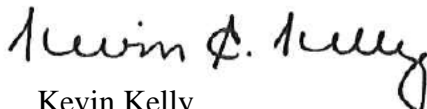
Our experience in Connecticut tells us that the only way the Partnership Plan 2.0 survives is by increasing premium on participants, reducing care quality and access, or tax increases for everyone else.

Connecticut families deserve to know how these solvency issues will impact them. Faced with these emergent conditions and threats to the insureds health care we ask for an **immediate update to the legislature** ahead of the statutorily required update on January 1. We ask that this update address the following questions:

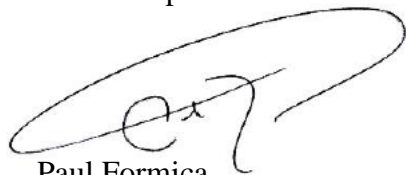
1. How many participants have left the Partnership Plan 2.0 this year? What is the premium fallout resulting from each of these departures?
2. What is the average premium per family for member participants that are leaving the Partnership Plan?
3. Have any other participants expressed an intention to also leave the plan?
4. What was the reason provided by each group for leaving the plan?
5. With the Partnership Plan 2.0 paying out more in claims than it received in premiums, and an estimated shortfall of at least \$54.1 million for fiscal year 2022, how will potential losses be covered?
6. Please provide a complete breakdown of Funds Awaiting Distribution balance
7. Please provide the most recent data on medical and pharmacy claims with a comparison to premium collection.

We thank you for your time and attention to this pressing matter.

Sincerely,



Kevin Kelly
Senate Republican Leader



Paul Formica
Senate Republican Leader Pro Tempore