

April 29, 2024

Dear Legislator:

We, the undersigned, speak out in strong opposition to the contents of HB 5247, labeled Multiple Employer Welfare Plans (MEWAs), also known as Association Health Plans (AHPs) or Health Benefit Consortiums.

To help set the record:

These plans are **not actually health insurance** and have been the subject of much incomplete and outright misinformation.

They would charge employee groups with disabilities, health conditions, or pregnant women more. Healthcare claims would be paid directly by a fund pooled together by the businesses. If there is not enough money to pay the claims, individual businesses would be responsible for unpaid claims, which could lead to bankruptcy and discriminatory hiring practices. The CT Insurance Department would have oversight of insolvency issues, but not complete regulatory authority. Should a business fail to pay a medical claim, the CID would be powerless.

These plans also have the potential to destabilize the Affordable Care Act (ACA)-compliant marketplace through market segmentation. Plans like the ones outlined in HB 5247 tend to draw only young, "healthy" people out of the marketplace with the promise of lower costs, despite the above outline of why these costs are not guaranteed. This mass exodus from the marketplace leaves only those with high health costs as enrollees, leading to skyrocketing premiums. It is for this very reason that Access Health CT expressed opposition to these plans at the end of the 2023 legislative session.

Several alternatives to unaffordability were proposed this session, including ways to strengthen Connecticut's marketplace and ensure all seeking insurance had access to robust, non-discriminatory coverage. Unfortunately, these proposals were ignored in favor of moving forward with the plans outlined in HB 5247.

**Should AHPs/MEWPs/Health Benefit Consortiums arise as an amendment this year, the undersigned groups will work to use any legislative options available to prevent them from being offered in Connecticut.**

Sincerely,

Health Equity Solutions  
32BJ CT, SEIU

4Cs, SEIU1973  
AARP  
American Federation of Teachers CT  
CEUI SEIU Local 511  
Connecticut AFL-CIO  
Connecticut Citizen Action Group  
Connecticut For All  
Connecticut #Insulin4All  
Connecticut Jobs and Human Rights Task Force  
Connecticut Legal Rights Project  
Common Cause  
Council 4 AFSCME  
CSEA SEIU Local 2001  
HUSKY 4 Immigrants  
Leukemia & Lymphoma Society  
Medicare for All CT  
National Multiple Sclerosis Society  
New England Healthcare Employees Union District 1199  
Physicians for a National Health Plan  
Planned Parenthood of Southern New England  
Reproductive Equity Now  
Rev. Josh Pawelek  
SEIU Connecticut State Council  
She Leads Justice  
United Food and Commercial Workers Union Local 371  
Universal Health Care Foundation of CT  
Working Families Power