

TESTIMONY TO THE BENEFITS CLIFF FORUM  
IN SUPPORT OF INCREASING INCOME LIMITS FOR HUSKY A FOR PARENTS

January 30, 2020

Good afternoon. My name is Alison Weir, and I am with Greater Hartford Legal Aid, which is a member of the Medicaid Strategy Group.

I am here to ask that you consider restoring the income limit for parents under HUSKY A coverage to 201% of the federal poverty level (FPL), the current income level for HUSKY A children, as a way to mitigate the benefits cliff. The HUSKY A income limit for parents was 201% FPL until the income limit for parents was reduced to 150% of FPL in 2015 and then to 138% in 2017. Over the last two sessions the state has restored some coverage, so now the income limit is 160% FPL, but even so, this level presents adverse consequences for families at the margins.

The increase in the minimum wage, even at the first step from \$10.10 to \$11 per hour, may push some parents who are currently covered by HUSKY A past the point of coverage. For example, two parents working full-time at the old minimum wage might earn \$41,200, or 160% FPL for a family of four, but with the new minimum wage they would earn \$44,871, which is about 174% FPL for the same family, and would not qualify for HUSKY A even though their children would. Parents buying insurance on the marketplace, even after ACA subsidies, could have medical costs of up to \$6,900, or 15% of their income.

Eleven thousand parents lost coverage due to the downward changes in income limits for HUSKY A. Parents who were dropped off HUSKY A as a result of the reductions did not enroll in Marketplace insurance programs because of the expense even with the subsidies. Even after a concerted campaign by Access Health CT, only 26% of those who lost coverage had enrolled through the exchange as of July 2016. It was estimated in 2018 that roughly 80 percent of the parents who lost HUSKY A coverage ended up uninsured.<sup>i</sup>

This has implications for coverage for the entire family. Parents covered by Medicaid are more likely to ensure that their children are also enrolled in Medicaid. Most uninsured children are eligible but not enrolled in HUSKY.<sup>ii</sup> After Maine cut eligibility for parents in 2012, child enrollment dropped 13 percent among those in the same income bracket whose parents lost coverage.<sup>iii</sup> Uninsured parents are less likely to bring their children to the doctor, even when the child is insured.<sup>iv</sup>

An uninsured parent poses a potential financial risk to the family, because an untreated serious illness may their ability to work and could result in large medical bills. Uninsured parents are less likely to get health care themselves. Twenty percent of uninsured adults reported that they went without needed care in 2017 because of cost, as compared with 8% of adults with public coverage and 3% of those with private coverage.<sup>v</sup> Because they go to the doctor less frequently, uninsured people have an increased risk of being diagnosed at later stages of diseases, including cancer, and have higher mortality rates than people with insurance.<sup>vi</sup> Uninsured parents are also more likely to experience avoidable hospitalizations, resulting in large medical bills for those who cannot afford them, and uncompensated care covered by

taxpayers. Nearly two thirds of uninsured who had medical bill problems were unable to pay their medical bills at all.<sup>vii</sup>

Medicaid as implemented in Connecticut is efficient. The total share of Medicaid costs in Connecticut has risen less quickly than the costs of state employee health care or than the General Fund overall.<sup>viii</sup> Medicaid in Connecticut. Per member costs for HUSKY A have been stable. As reported by Health Affairs in 2017, Connecticut led the nation in controlling cost trends on a per person basis from 2010 through 2014, reducing its per person spending by 5.7%. Overall, Medicaid has better cost trends than private health insurance and Medicare. Connecticut has continued this cost containment, with negative per person cost changes from the previous year in FY 15, FY 16, and FY 18. Over the four year period from FY 14 to FY 18, the per person per month cost decreased by 8.1%.

Fifty percent of the cost of restoring HUSKY A coverage to parents with incomes up to 201% FPL would be covered by the federal government, increasing the impact of Connecticut's expenditure. The increased cost will result in significant benefits not only to the individuals covered, but also their families, and the state as a whole. For these reasons, we recommend restoring HUSKY A coverage for parents to 201% FPL.

Thank you for the opportunity to comment.

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<sup>i</sup> Louis Norris, Connecticut and the ACA's Medicaid Expansion, Health Insurance.Org website, Nov. 13, 2018, accessed at <https://www.healthinsurance.org/connecticut-medicaid/#parents>

<sup>ii</sup> Elisabeth W. Burak, *Health Coverage for Parents and Caregivers Helps Children* (Washington, DC: Georgetown University Center for Children and Families, March 2017), <https://ccf.georgetown.edu/wp-content/uploads/2017/03/Covering-Parents-v2.pdf>

<sup>iii</sup> Elisabeth W. Burak, *Health Coverage for Parents and Caregivers Helps Children* (Washington, DC: Georgetown University Center for Children and Families, March 2017), <https://ccf.georgetown.edu/wp-content/uploads/2017/03/Covering-Parents-v2.pdf>

<sup>iv</sup> U.S. Institute of Medicine, *Hidden Costs, Values Lost: Uninsurance in America*, Chapter 3: Spending on Health Care for Uninsured Americans: How Much, and Who Pays? Wash. D.C., National Academies Press (2003), accessed at <https://www.ncbi.nlm.nih.gov/books/NBK221653/>,

<sup>v</sup> Rachel Garfield, Kendal Orgera, and Anthony Damico, "The Uninsured and the ACA: A Primer—Key Facts about Health Insurance and the Uninsured amidst Changes to the Affordable Care Act", Kaiser Family Foundation Website, Jan. 25, 2019, accessed at [https://www.kff.org/report-section/the-uninsured-and-the-aca-a-primer-key-facts-about-health-insurance-and-the-uninsured-amidst-changes-to-the-affordable-care-act-how-does-lack-of-insurance-affect-access-to-care/#endnote\\_link\\_389454-4](https://www.kff.org/report-section/the-uninsured-and-the-aca-a-primer-key-facts-about-health-insurance-and-the-uninsured-amidst-changes-to-the-affordable-care-act-how-does-lack-of-insurance-affect-access-to-care/#endnote_link_389454-4)

<sup>vi</sup> Rachel Garfield, Kendal Orgera, and Anthony Damico, "The Uninsured and the ACA: A Primer—Key Facts about Health Insurance and the Uninsured amidst Changes to the Affordable Care Act", Kaiser Family Foundation Website, Jan. 25, 2019, accessed at [https://www.kff.org/report-section/the-uninsured-and-the-aca-a-primer-key-facts-about-health-insurance-and-the-uninsured-amidst-changes-to-the-affordable-care-act-how-does-lack-of-insurance-affect-access-to-care/#endnote\\_link\\_389454-4](https://www.kff.org/report-section/the-uninsured-and-the-aca-a-primer-key-facts-about-health-insurance-and-the-uninsured-amidst-changes-to-the-affordable-care-act-how-does-lack-of-insurance-affect-access-to-care/#endnote_link_389454-4)

<sup>vii</sup> Rachel Garfield, Kendal Orgera, and Anthony Damico, "The Uninsured and the ACA: A Primer—Key Facts about Health Insurance and the Uninsured amidst Changes to the Affordable Care Act", Kaiser Family Foundation Website, Jan. 25, 2019, accessed at <https://www.kff.org/report-section/the-uninsured-and-the-aca-a-primer-key-facts-about-health-insurance-and-the-uninsured-amidst-changes-to-the-affordable-care-act-what-are-the-financial-implications-of-lacking-insu/>

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<sup>viii</sup> Ellen Andrews, “Seven years later, Connecticut Medicaid still saving taxpayers money,” Connecticut Health Policy Project Blog, Feb. 18, 2019, accessed at <https://cthealthpolicy.org/index.php/2019/02/18/seven-years-later-connecticut-medicaid-still-saving-taxpayers-money/>