



Testimony of Sean Bradbury
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Before the Higher Education and
Employment Advancement Committee
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Representative Haddad, Senator Bye, Senator Linares, Representative Staneski, and members of the Higher Education and Employment Advancement Committee, thank you for the opportunity to testify before you on a bill of concern to the Connecticut State Colleges and Universities (CSCU). For the record, my name is Sean Bradbury, and I am the Director of Government Relations for CSCU.

SB 341 AN ACT CONCERNING MEDICAID COST SAVINGS FOR STUDENTS

While CSCU appreciates cost savings purpose of this bill, we do have some concerns about the impacts it may have on the secondary costs of attendance to our students.

First, of our 17 institutions, only the four state universities offer a group health insurance plan to students. The Board of Regents for Higher Education updated the health insurance policies for our institutions this year to discontinue the hard-waiver plan (where every student is automatically enrolled) we had been offering. Instead, we will be encouraging students to enroll through Access Health Connecticut (AHCT) or to continue with our existing provider Aetna, through a voluntary plan they are offering. We are including AHCT so that students can have a single point of access for Medicaid enrollment and qualification for Advanced Premium Tax Credits (APTCs) or cost share reductions (which are only available on AHCT), which can significantly reduce the costs of health insurance for these students.

The participation rate for our existing health plan in FY16 dropped to an 11.4% system wide average, or 5,348 students. The participation rate has seen a continued drop since the implementation of the Affordable Care Act (ACA) set much stricter requirements for what student health plans had to cover, and allowed students to stay on their parent's plan until age 26. At the same time, due to these new requirements and market trends, annual premiums have increased from a few hundred dollars to the current annual premium of \$2,953.

From a study of Fall 2015 FAFSA data from Central Connecticut State University and Southern Connecticut State University student health plan members, it was revealed that up to 50.7% of these students were potentially Medicaid eligible. These students are currently paying \$2,953 annually in premiums, in addition to all of the out of pocket costs they incur. If we assume that

50.7% of the 5,348 students enrolled system-wide are Medicaid eligible, this has the potential to save our students \$8.005M annually in premiums alone.

Consequentially, by enrolling in Medicaid, these students can not only save money on annual premiums, but can save potentially thousands in out of pocket medical expenses that Medicaid covers but private insurance does not. We are concerned that this proposal does not address the coverage of those out of pocket costs, and would ask legislators to consider the coverage of those out of pocket costs when looking at proposals that impact student health insurance.

We at CSCU are agnostic as to what type of health coverage is best for our students; that is a decision that each of our students and their families are best capable of making. All we can comment on regarding student health insurance is how it impacts the secondary costs of attendance at our institutions. For our students with the highest financial need, secondary costs like health insurance, even out of pocket costs, can be prohibitively expensive. To that end, we are supportive of any measure that can potentially reduce the secondary costs of attendance at our institutions for our students.