



COMPTROLLER BRASWELL, OHS EXECUTIVE DIRECTOR VELTRI ANNOUNCE NEW FINDINGS FROM CONNECTICUT HEALTHCARE AFFORDABILITY INDEX

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(HARTFORD, CT) Comptroller Natalie Braswell and Victoria Veltri, Executive Director of the Office of Health Strategy (OHS), announced today, the release of a new report that utilized the groundbreaking Connecticut Healthcare Affordability Index (CHAI) tool to analyze the effects of recent health care legislation.

The report titled [Connecticut Healthcare Affordability Index: Findings from the CHAI Interactive Tool](#), reveals approximately 8,500 additional Connecticut households would be able to afford their basic needs, if policy changes to increase the affordability of healthcare are implemented.

The Office of Health Strategy (OHS) and the Office of the State Comptroller (OSC) released the [Connecticut Healthcare Affordability Index](#) (CHAI), in June 2021, an interactive living tool used to measure the impact of various policy models on Connecticut families' ability to make ends meet.

The new findings in the report measured impacts of the cost of basic needs, income inadequacy rates, and affordable healthcare rates by using the following policy models: American Rescue Plan Act (ARPA) Premium Tax Credit, Covered Connecticut, and the Cost Growth Benchmark.

“Healthcare affordability is one of the biggest issues facing individual residents and employers in Connecticut,” **Governor Lamont said**. “I made a commitment to address it, and I am proud that the work that OHS started under executive order to establish a cost growth benchmark, a primary care spending target and quality benchmarks is now in state law. This bipartisan effort, the additional subsidies from the American Rescue Plan, and our bipartisan effort to create Covered Connecticut last year will increase the affordability of healthcare. I am grateful that we can show through a tool like the affordability index that these two pieces of legislation will have a substantial impact in ensuring that an additional 62,000 households in Connecticut will have affordable healthcare — preventing hardships and debilitating debt.”

“The CHAI tests the effect of policy initiatives on health care affordability, so it has a laser like focus on healthcare affordability by design, because so many report people in Connecticut report challenges of affording their health care expenses. The underlying data point to other priority policy

areas that affect health and healthcare. Initiatives we undertake ensure we focus intentionally on the impacts of policy on equity, ensuring that we do not sacrificing quality and access to care,” **OHS Executive Director Victoria Veltri said**. When we combine the three of these policy initiatives—the ARPA plan subsidies from the federal government, the Covered Connecticut program, and the lowering of the rate of hospital spending growth to the annual Cost Growth Benchmarks, more than 62,000 additional households in our state will have affordable healthcare under these initiatives.”

“The CHAI tool gives researchers and lawmakers unprecedented power to evaluate health care policy,” said **Comptroller Natalie Braswell**. “I’m thrilled that this report so effectively utilized the tool, and even more so that it shows recent legislation has been successful at lowering health care costs. However, we all know that there is far more work to do, and far more Connecticut families that need health care to be more affordable.”

The ARPA Premium Tax Credit (PTC), a refundable tax credit designed to help eligible individuals and families pay for qualified health plans, purchased through the federal or state exchanges. The CHAI measured the impact of the lack of the ARPA PTC and concluded that the cost of health insurance for households in the individual marketplace can be significant burden on basic needs.

By removing the premium tax credit income cap for individuals and families purchasing insurance through the individual insurance marketplaces results in a 5.9 percentage point decrease of income inadequacy rates—a decrease of over 7,500 households estimated to have income insufficient to meet their basic needs.

Overall, this model estimates that if the temporary ARPA provision was available in 2019, nearly 31,000 additional households would be defined as having affordable healthcare.

“This tool demonstrates that policies can really have a substantial impact on the ability of Connecticut families to meet their basic needs,” **Director of the University of Washington Center for Women’s Welfare Lisa Manzer said**. “Without further action though, the temporary ARPA expansion of the premium tax credit will lead to a significant number of families unable to continue to afford their healthcare costs—straining their ability to afford the rising cost not just healthcare but also rent, food, and child care.”

The Covered Connecticut Program was established on July 1, 2021, an initiative to provide Connecticut residents with health insurance coverage at no cost.

The Covered CT model estimated over 17,000 additional households will be defined as having affordable healthcare costs as a result of the expanded eligibility of the Covered Connecticut program.

By tying the rate of hospital spending growth to the cost growth benchmark, the model estimates that 14,000 additional households will attain affordable healthcare according to the Connecticut Household Healthcare Spending Target. Further analyses will be performed, including tying the rate of pharmaceutical and overall health care spending to the rate of the annual cost growth benchmark. These analyses will likely substantially increase the number of households with



affordable healthcare. Testing further additional proposed actions will allow policymakers to predict the direct impact of their proposals on affordability.

Additional budget items passed this session, such as the child tax credit, will be factored into further analyses.

“Being able to afford health care and other basic needs is critical for good health, but we know that people of color disproportionately face affordability hardships that can keep them from getting the care they need and deserve,” **Connecticut Health Foundation President and CEO Tiffany Donelson said.** “The Connecticut Healthcare Affordability Index helps to identify where the biggest challenges are in affording needed care and can help assure that policies to improve affordability are as responsive and equitable as possible.”

“At last, CT has a tool policymakers can use to consider the impact of health care policies on different populations in our state,” **said Frances G. Padilla, President of Universal Health Care Foundation of CT.** “Everyone’s health coverage needs differ by their income, health status, and family composition. For health care to be truly equitable, no one-size-fits-all policies will solve the affordability crisis.”

OHS and OSC worked with researchers from the Center for Women’s Welfare at the University of Washington School of Social Work to develop this tool and prepared the report.

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