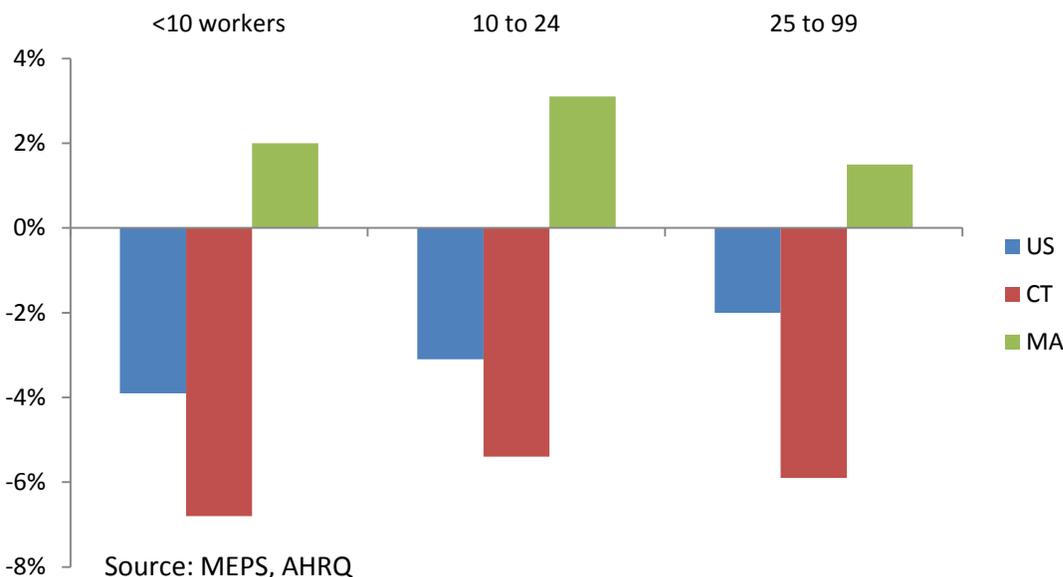


More MA small businesses offer health benefits since reform, while CT and US rates dropped

Massachusetts implemented sweeping health reforms in 2006, including creating a health insurance exchange – the MA Health Connector. The reforms were very successful in increasing health coverage in the state; less than 2 percent of residents are now uninsured.ⁱ The percentage of Massachusetts’s smallest businesses (under 10 workers) offering health benefits to their employees rose by 2 percent from 2005 to 2010 while the US average fell 4% and Connecticut’s rate dropped 7%. Businesses with 10 to 24 workers and 25 to 99 workers experienced similar trends.ⁱⁱ

**small business health benefit offer rates,
change 2005-2010**



In recent discussions at the CT Health Insurance Exchange Board meetings, much has been made of low small business enrollment in the MA Health Connector. Board members and presenters have focused on how to make Connecticut’s exchange attractive to small businesses. But the point isn’t to build enrollment in the exchange, it is to get people and small businesses covered.

Presenters at the last Board meeting highlighted CBIA's current insurance offerings as an example of a successful exchange offering for small businesses in Connecticut. However, CBIA's Health Connections was operating in our state from 2005 to 2010 during the drop in offer rates. Over those years, Massachusetts climbed from 5th to 3rd among states in offer rates among their smallest businesses, while Connecticut dropped from 3rd to 8th.

It is very possible that the MA Health Connector's ability to offer quality products at more affordable prices placed competitive pressure on the market outside the exchange to improve options. Building a functional exchange in Connecticut can have positive effects on the rest of the market.

We urge the CT Health Exchange Board to refocus on providing affordable, quality insurance options to everyone. Let the market do its work.

ⁱ Raymond, A, Massachusetts Health Reform: A Five-Year Progress Report, Blue Cross Blue Shield of Massachusetts Foundation, November 2011,
<http://bluecrossfoundation.org/~media/Files/Health%20Reform/Health%20Reform%20Implementation%20Massachusetts%20Health%20Reform%205%20Year%20Progress%20Report.pdf>

ⁱⁱ Medical Expenditure Panel Survey, US Agency for Health Care Research and Quality, 2005, 2010 data, accessed 12/6/2011,
http://www.meps.ahrq.gov/mepsweb/data_stats/quick_tables_results.jsp?component=2&subcomponent=2&year=-1&tableSeries=2&tableSubSeries=&searchText=&searchMethod=3&startAt=1