

SENATOR JAN HOCHADEL

Thirteenth District

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State of Connecticut
SENATE

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Environment Committee

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Banking Committee

Commerce Committee

Housing Committee

Planning & Development Committee

As a State Senator, I have heard what the impact of rising insurance rates will have on our residents. When insurance rates rise, working people in effect take a pay cut. The effect is felt most dramatically, of course, on our lower-wage workers. Too many times over the past few years, I have seen any increase in wages paraeducators, home health aides, supermarket employees, and countless others have any pay increase they receive swallowed up by increases in health insurance costs. These workers, who only three years we were calling “heroes” for continuing to go to work during COVID when so many others – like myself – were working from home, see their standard of living suffer as rising insurance costs and inflation tear away at their economic security.

The insurance company’s request for an average increase of 12.4% increase in rates and a 14.8% increase in small group plans is not only economically unfeasible; it is simply wrong. Insurance companies are seeking to take even more money from hardworking Connecticut families and give it to themselves. They are asking families to figure out a way to pay 12.4% more for insurance so they can increase their CEO’s already exorbitant salaries a total of over \$115 million dollars. They are asking small business owners who try to do the right thing and provide their employees healthcare to pay nearly 15% more for their healthcare plan, but they \$18.8 billion for stock buyback. They are telling taxpayers that they need to have their cities cut back on services or increase taxes to afford health insurance for teachers, police officers, and other municipal workers while the companies rake in a \$380 billion in gross profits. They are asking the State to tell its residents we all need to sacrifice so that the wealthy CEOs and stockholders can have even more.

Before they ask us to cut back, we need to see how they are cutting back. How much are the CEOs willing to give up so they can keep costs low? How much are they willing to reduce their profit so that health insurance can be affordable? Are they willing to be completely transparent with their finances so they can demonstrate an actual need to raise rates? Until we have an answer to those questions, our answer to any request for rate increases has to be no.

Connecticut is known as the insurance capital of the country. That should be a source of pride. It is hard to be proud of that title today when it seems that

unrestrained greed has trumped any sense of community responsibility. I strongly urge the committee to reject this request for rate increases.

Thank you.

Sincerely,

A handwritten signature in black ink that reads "Jan Hochadel". The signature is written in a cursive style with a large initial "J" and "H".

Jan Hochadel
State Senator, 13th Senate District