

Governor Ned Lamont State of Connecticut



FACT SHEET 2024 Legislative Session

HOUSE BILL 5054 AN ACT ADDRESSING HEALTH CARE AFFORDABILITY

The Problem

Connecticut residents have access to some of the highest-quality health care systems in the world, but for too many residents, cost is a barrier to access. Record high numbers of Americans are putting off care because they can't afford it. Hospital inpatient, hospital outpatient, and retail pharmacy costs are the largest contributors to the health care affordability problem.

Governor Lamont's Solution

Healthcare has become unaffordable for too many of our residents. Connecticut, along with nine other states, has implemented cost growth benchmarking to ensure growth in costs does not outpace our residents' ability to afford care. The benchmark represents the targeted year-to-year increase in health care spending per person, expressed as the percentage growth from the prior year's per-person spending.

This bill creates a performance improvement plan mechanism to assist hospital systems that have exceeded the benchmark with finding ways to adhere to spending targets. The bill also forms an oversight commission to advise the Office of Health Strategy on advancing health equity and supporting equitable access to affordable and high-quality health care for underserved populations.

To reduce out-of-pocket costs to consumers, the legislation establishes a Prescription Drug Affordability Board (PDAB) which will analyze data from multiple sources to review the price and cost growth of prescription drugs to offer recommendations regarding affordability.

The proposal also includes the creation of affordability standards, which will integrate into rate review the health insurance carriers' efforts to keep yearly increases in premiums at or below the benchmark.

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