



*Connecticut Department of Social Services*  
**NEWS RELEASE**

---

March 13, 2008

Contact: David Dearborn, 860-424-5024; blackberry/email: david.dearborn@ct.gov

**Why Combined Procurement of Charter Oak &  
HUSKY Is Important -- or, More Reasons Why  
Bill No. 5618 is Flawed and Harmful**

The following information is for reporters covering the Human Services Committee's approval today of Substitute Bill No. 5618, which would split apart procurement of the Charter Oak Health Plan and HUSKY Plan, and effectively delay implementation of Charter Oak.

[Governor Rell's news release is

[www.ct.gov/governorrell/cwp/view.asp?A=3293&Q=411784](http://www.ct.gov/governorrell/cwp/view.asp?A=3293&Q=411784); Charter Oak website at [www.ct.gov/dss/charteroak](http://www.ct.gov/dss/charteroak)]

The Department of Social Services is strongly opposed to this bill, which **would disrupt a state RFP and purchasing process already underway**, and cause **needless and harmful delays** for CT adults waiting for affordable health coverage.

Here are some of the reasons why combined procurement of the Charter Oak Health Plan and HUSKY Plan is important to support (why Committee's action should be opposed):

**Combined procurement is designed to:**

- Help the participating insurers achieve economies of scale with automated systems, enrollment processes, etc.; and, by extension, achieve potential savings for the State of Connecticut.
- Help enrolled families by enabling 'one-stop shopping' for health coverage for children AND adults (same insurers and same doctors spanning across children's coverage, HUSKY A parental coverage, and – new, non-HUSKY adult coverage in Charter Oak).
- Help insurers with the new Charter Oak Health Plan by providing complementary bidding opportunity with HUSKY. This because HUSKY's known actuarial and utilization data will help offset the actuarial assumptions (as opposed to HUSKY's hard-core experiential data) of the brand-new Charter Oak program.

In short, joint procurement offers the promise of additional participating health plans, ease and convenience for enrolled families, and potential savings for the state as insurers achieve economies of scale.

Splitting the procurement would effectively delay Charter Oak by at least six months. The RFP has been issued, letters of intent received, bidders' conference held, deadlines for proposals set, competitive evaluation anticipated with July 1, 2008, program start date for Charter Oak and re-procured services in HUSKY. ###

--30--