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News

Is Charter Oak insurance or a social program?

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Radio ad for Rell plan renews debate about whether it's truly insurance

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HARTFORD — When is health insurance not health insurance?

The answer to that riddle depends on whether you're listening to a new radio ad for Gov. M. Jodi Rell's Charter Oak health plan or reading correspondence from state insurance Commissioner Thomas Sullivan.

- **Sidebar:** Harris would split Husky, Charter Oak plans

According to Rell, Charter Oak is insurance, or close enough.

But the insurance commissioner, in a written dispute with the State Healthcare

Advocate Kevin P. Lembo, insists Charter Oak is a "social program," and therefore not required to meet all obligations placed on private health insurance.

"For the first time in my life I have health insurance, thanks to the Charter Oak health plan," an anonymous woman states in the new radio ad promoting the administration's new health coverage for uninsured, working adults.

That's one of four references during the ad to the Charter Oak plan as health insurance.

The final one comes from Rell herself, who says "it's the first time every uninsured adult in Connecticut can get quality, affordable health insurance and it costs as little as \$75 per month, depending on your income.

"Everyone needs health insurance," she adds, "and now everyone gets health insurance."

But when Lembo wrote to Sullivan last Oct. 15, he heard a different message.

Lembo who objects to Charter Oak not providing the same level of mental health benefits that state law requires for private health insurance, asked Sullivan to clarify his department's role in regulating Charter Oak.

"The Insurance Department does not regulate benefits, forms, and rates related to social programs which are not sold in the commercial insurance market," Sullivan wrote to Lembo on Nov. 5.

Charter Oak is promoted as health insurance, but is that what it actually is under the law?

"I continue to call it insurance," Rell said when asked that question Monday by a reporter. "I'm not going to argue over whether it qualifies" under the law as insurance or a social program. "I consider it a good mix of both."

But Lembo said the administration has to be careful so that potential customers of Charter Oak are not misled into believing they will receive the same minimum level of benefits the state requires from private health insurers.



43-acre animal sanctuary planned for Ashford

Susan Linker of Our Companions sanctuary in Bloomfield holds Laura, a 1-year-old cat in need of a home. Laura was rescued from a hoarding case and is the mother of 7 kittens, all of whom have already found homes. Behind them is Willamina, a 10-year-old Red-eared Slider turtle rescued from neglect and to the left are 2 hamsters, Monkey and Schlomo, who need homes. (Irena Pastorello / Journal Inquirer)

[Click here](#) to read the full story.

"Insurance has a very specific meaning and brings with it very specific protections that consumers depend on," Lembo said, calling the ad's wording "sloppy" and the reference to insurance "inappropriate."

The healthcare advocate added that his office anticipates receiving complaints from consumers about the new Charter Oak program, including the level and type of benefits provided.

"It's one of those things many people don't think about until it fails them," he said. "When it breaks down, when it doesn't afford them the type of coverage normal insurance provides, then we will hear complaints."

"Our legislature has regulated health insurance because of concerns about critical areas of coverage that have gone lacking," said Sheldon V. Toubman, a staff lawyer with the New Haven Legal Assistance Association and vocal critic of the Charter Oak program. "Those protections have been designed to protect the consumer."

"One might quite reasonably assume all of those protections passed by the legislature over the years are still applicable when it comes to Charter Oak."

Charter Oak originally was planned to serve 8,000 patients in its first year at an annual cost of \$13 million. The administration now is forecasting 19,000 patients, and the cost is unclear.

The plan allows eligible participants to buy coverage at a monthly premium ranging from \$75 to \$250, depending on their income. State subsidies cover remaining costs.

The administration selected three managed-care organizations in May to administer the program, which has approved more than 200 patients for coverage since it began on July 1.

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