CONNECTICUT
HOSPITAL
ASSOCIATION

TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
PUBLIC HEALTH COMMITTEE
Friday, March 12, 2010

HB 5476, An Act Concerning Pathology Billing Practices

The Connecticut Hospital Association (CHA) appreciates this opportunity to present testimony concerning **HB 5476, An Act Concerning Pathology Billing Practices**. CHA opposes this bill.

Last session, the legislature debated and passed a new law, codified in section 20-7a of the Connecticut General Statutes, requiring direct billing to the patient or insurer by a clinical laboratory performing anatomic pathology services. The law prohibits any entity other than a physician, clinical laboratory, or a referring clinical laboratory from directly or indirectly charging, billing, or seeking payment for pathology services unless the physician or lab personally performed or directly supervised the service according to federal standards governing clinical labs.

One of the most critical provisions of subsection (d) of section 20-7a is the prohibition on the direct or indirect charging, billing, or seeking payment for pathology services unless the physician or lab personally performed or directly supervised the service. This prohibition is a requirement when such services are performed under the Medicare and Medicaid programs, and was enacted to prevent any mark-up in the cost of services, ensuring that the decision on where to send a sample for diagnosis is based solely on the quality and expertise of the pathologists conducting the test.

CHA opposes HB 5476, as it removes that critical provision preventing the mark-up in the costs of anatomic pathology services. The removal of subsection (d) may have the unintended consequence of encouraging practitioners to send samples to out-of-state laboratories at the expense of Connecticut's hospital-based pathology groups.

Thank you for your consideration of our position.

For additional information, contact CHA Government Relations at (203) 294-7310.

JDI:pas