



*Quality is Our Bottom Line*

**Insurance Committee Public Hearing  
Thursday, February 10, 2011**

**Connecticut Association of Health Plans  
Testimony in Opposition to**

**SB 316 AA Prohibiting Differential Payment Rates to Health Care Providers for  
Colonoscopy or Endoscopic Services Based on Site of Service.**

The Connecticut Association of Health Plans respectfully urges the Committee's rejection of SB 316 AA Prohibiting Differential Payment Rates to Health Care Providers for Colonoscopy or Endoscopic Services Based on Site of Service.

We very much appreciate that the bill before you represents the best efforts of the Committee's Chairs in years past to address the concerns of all parties. However, we remain concerned that passage of this proposal would result in serious unintended consequences. SB 316 would essentially establish one rate for a particular service or treatment regardless of where it's performed. It is true that health plans pay differential rates to various facilities. Such rates may be established based upon facility costs and quality, volume of services performed and other measures.

In this economic climate we would caution the Committee about supporting this type of initiative which may drive higher margin services out of our not-for-profit hospitals in the cities and deliver them to the for-profit private physician offices in the suburbs. As you know, our state's hospitals are struggling and legislation of this nature could exacerbate their financial problems as well as drive up the cost of health care overall.

Thank you for your consideration.