



**Testimony of the Connecticut State Medical Society
In support of
House Bill 5568 An Act Concerning Targeted Health Areas
Commerce Committee
March 15, 2012**

Senator LeBeau, Representative Perrone and members of the Commerce Committee, on behalf of the more than 8,500 physicians and physicians-in-training of the Connecticut State Medical Society (CSMS), American College of Surgeons Connecticut Chapter (ACS) and the American College of Physicians Connecticut Chapter (ACP), thank you for the opportunity to testify in strong support of House Bill 5568 An Act Concerning Targeted Health Areas. Language in the bill before you today was overwhelmingly supported by members of this committee last session and ultimately passed the Senate on its consent calendar. We ask the Committee's support this session to ensure its passage by the entire General Assembly.

There are some key facts we would like you to be aware of concerning physicians and our Connecticut economy. The majority of Connecticut medical practices are not large medical groups – they are small practices with between one and four physicians. Each is a small business like the other small businesses that come before this committee, with electric bills, rent and the other overhead – and work weeks that are far beyond 40 hours. Recently, a study by The Lewin Group found:

- These small physician practices account for almost 52,000 Connecticut jobs.
- Each office-based physician in Connecticut supports nearly five jobs in addition to his or her own.
- Overall, office-based physicians generate over 6% of the state's GDP, and \$10 billion in wages and benefits.

Unfortunately, Connecticut's physician population is graying faster than it is being replaced. The American Medical Association estimates that half of our physicians are age 55 or older. All of those small practices are under great pressure to invest in electronic health record systems while they ride a financial rollercoaster related to threatened Medicare payment cuts.

Our organization conducted two important surveys of the overall physician workforce as well as primary care physicians, and the outlook for both was bleak – not only for physicians, but for Connecticut patients.

- 19% of physicians were contemplating a career change
- 1 in 4 primary care physicians is not accepting new patients
- More than 90% of respondents in Litchfield, New London and Windham counties reported difficulty recruiting physicians

The bottom line: Connecticut patients are having difficulty getting the medical care they need, especially certain populations in certain areas; medical practices are having difficulty attracting and retaining physicians. Pressure will only continue to increase as implementation of healthcare reform as required by the Patient Protection and Accountable Care Act (ACA) will provide health insurance coverage for thousands of new patients in both private health insurance plans and, more importantly, the state Medicaid program.

We are competing with 49 other states for limited manpower resources. We need to be competitive with other states to retain physicians, and attract young physicians looking to establish themselves. If we don't act now, it may be too late and we will lose out to neighboring states. It's important to note that other states are moving more aggressively than we are. On January 24th of this year, Maryland enacted "Enterprise Zone" legislation to accomplish the goals of physician retention and recruitment. Massachusetts implemented similar legislation even earlier, and Connecticut must keep pace. If we are late to the game and our state's medical practices fail, jobs will be lost and access to care will decline even farther.

This is the backdrop against which to consider House Bill 5568, An Act Concerning Targeted Health Areas. We believe this legislation could significantly improve health outcomes for medically underserved populations while preserving jobs in physician offices and making Connecticut a more competitive place to bring new physicians to practice medicine.

Because House bill 5568 is, at its core, a jobs bill that improves public health, having the Commissioners of Public Health and Social Services work together with CSMS to identify ten municipalities that have a medically underserved population or high rate of chronic disease. These areas will be designated as Target Health Areas and provide eligibility for assistance through the Small Business Express Program (SBE).

Medically underserved communities can be rural or urban. They may be areas with a high number of children with asthma who don't have enough pulmonologists or communities with high prevalence of diabetes that don't have enough endocrinologists to work with them to get their condition under control. Or it may be as simple as not having enough primary care physicians to be able to get an appointment within a specified time.

Access to capital is a great challenge for small medical practices. Loan available through the SBE program would allow offices to attract new physicians by using such capital for hiring incentives, salary assistance or simply to assist young physicians in payment of the incredible amount of student loans carried by doctors starting out in their careers. In addition, such capital could incentivize physicians to expand or relocate to Target Health Areas using funds to construct or expand office, acquire needed medical equipment or make capital improvements.

If Connecticut's small medical practices fail, we will lose access to care – and we will lose jobs. Not only physicians' jobs but those who support them, the nurses and other allied health professionals, as well as those dedicated staff who answer phones, check in patients when they arrive at the office and those that help get medical services approved for patients by talking to insurers.

We are grateful to this committee for being open to considering a proposal like this that improves public health as it strengthens our economy and ensures that today and especially tomorrow the residents of Connecticut will have access to medical care services and not have to leave their

communities or the state for medical care. We urge you to pass House bill 5568 for the patients and physicians of Connecticut.