



**Connecticut State Medical Society
Connecticut Society of Eye Physicians
Connecticut ENT Society
Connecticut Urology Society
The Connecticut Dermatology and Dermatologic Surgery Society**

Before the Insurance Committee

February 5, 2015

Supporting

Proposed Bill No. 14: AN ACT CONCERNING THE CLAIMS DATA PROVIDED TO CERTAIN EMPLOYERS

Good Morning Senator Crisco, Representative Megna, and distinguished members of the Insurance Committee. My name is Debbie Osborn and I am Executive Director of the Connecticut Society of Eye Physicians, the Connecticut Ear Nose and Throat Society, the Connecticut Urology Society and the Connecticut Dermatology and Dermatologic Surgery Society. I am here today on behalf of over 1000 physicians in these specialties and the thousands of member physicians in the Connecticut State Medical Society and their patients in the great State of Connecticut to present testimony supporting Proposed Bill 14: An Act Concerning The Claims Data Provided to Certain Employers.

This important legislation will empower employers and consumers and help them make better choices in their health care, some of the most critical decisions they will ever make.

The health care landscape has changed drastically and dramatically in just a few years. The implementation of the Affordable Care Act, Sunshine Laws, and the evolution of the Health Insurance Portability and Accountability Act of 1996 are examples of legislative and regulatory changes that reshaped health care delivery. Market forces including rising health care costs, consolidation of health insurance providers and alternative forms of payment for health care, along with our aging society are also having a huge impact on healthcare. In addition, some alternative medicine providers and allied health personnel have increased their scope of practice and even gained the ability to practice independently. The internet has become an incredible source of information for patients – on diseases, procedures and providers. Ratings of providers and facilities by patients and insurers are widespread, but often there is little transparency on who is doing the ratings and how they are done.

Although many of these changes have enhanced patient choices and transparency, there is also a great deal of confusion. Decisions regarding testing and treatments ordered by doctors are often challenged or even taken out of their hands by insurance companies. It is often unclear to doctors, patients and employers how decisions are made and why some tests and medications require pre-authorization. Many patients are even unsure of the credentials of the health care providers they see for care. Rating systems of doctors and facilities are often superficial and arbitrary in the ratings they bestow, and this can lead to confusing, conflicting and even inaccurate ratings.

This proposed bill will help provide some transparency to the entire process, but we believe it could be improved if the provisions of the bill were to apply not only to towns, cities, boroughs, school districts, taxing districts or fire districts employing more than fifty employees, but to all businesses employing more than 50 patients.

In addition to "Utilization data" and data on "claims paid", information should also be provided on claims denied as experimental or not medically necessary, and the process and the data used for these determinations. Patients should also have information regarding procedure codes that are paid by insurers at a lower rate than Medicare reimbursement levels.

There should be a reporting requirement for the process of determination of formulary medications and their tier ratings, and the rationale for medications denied by the insurer or requiring pre-authorization. Formularies often lag behind the best medications as determined by evidence based science. When doctor's hands are tied by arbitrary formulary decisions and burdensome pre-authorization processes, patients may suffer and the doctor's risk exposure is increased.

The rating of facilities and providers should be transparent with regard to methodology, and the make-up of provider panels should be clear, including the reporting of the number of providers at each credential level both numerically and as a percentage of the provider panel. This should include primary care providers and specialists, as well as allied health providers. Any "gate keeper" requirements for care by specialists and sub-specialists should also be reported.

In closing, I urge you to look closely at this bill and strengthen the reporting requirements. Transparency and access to information will empower patients and employers as they navigate the changing and challenging waters of health care. This will help ensure both high quality and efficient health care for all citizens of Connecticut.

Thank you for allowing me this time to present this testimony.

Respectfully,

Ms. Debbie Osborn