



127 Washington Avenue, East Building, 3rd Floor, North Haven, CT 06473  
Phone (203) 865-0587 Fax (203) 865-4997 www.csms.org

**Connecticut State Medical Society**  
**Testimony**  
**House Bill 5323 An Act Concerning the Acquisition of Physician Practices By Insurers**  
**Public Health Committee**  
**February 23, 2015**

Senator Gerratana, Representative Ritter and members of the Public Health Committee, on behalf of the physicians and physicians in training of the Connecticut State Medical Society (CSMS) thank you for the opportunity to present this testimony to you today on **House Bill 5323 An Act Concerning the Acquisition of Physician Practices by Insurers**. This legislation would require physician practices to receive approval from the Commissioner of the Department of Public Health and the Attorney General prior to entering into an agreement to transfer assets or operation or change of control of the practice to an insurer.

As you know, many of our small and independent community physicians have experienced increasing difficulty remaining viable in the ever-changing health care delivery system. Many practices have had to seek arrangements with other entities such as hospitals or health care systems in order to maintain the privilege of continuing to care for their patients. We view House Bill 5323 as a positive attempt to ensure that certain such transfers of practice are in the best interest of those receiving care and not simply seen as a financial transaction for the benefit of a for profit insurance entity. That said, CSMS cannot identify ANY situation in which any portion of ownership of a physicians practice by an insurer is appropriate. CSMS has routinely been before many committees of this General Assembly demonstrating how insurers currently use their strength and monopsony power to dictate how, where and when care is delivered. Even with certain approval by the state, the ability for insurers to purchase and own physician practices will only strengthen their ability to dictate care and could in a way add a monopoly power as well.

Thank you for your efforts to protect the ability of physicians in Connecticut to maintain control of decisions regarding the provision of appropriate care for their patients.