



**Testimony of Hartford HealthCare
Submitted to the Public Health committee
March 11, 2015**

SB 249 An Act Concerning Disputes between Hospitals and Insurers

Hartford HealthCare appreciates the opportunity to provide written comments on SB 249. The proposal would mandate binding arbitration between health care providers and insurers when contracts end and negotiations have failed to produce a new agreement. Hartford HealthCare opposes this legislation.

Health care reform's requirements and insurance payers' demands are transforming the way that health care is delivered and providers are paid. We are moving from payment on a fee-for-service basis focused on volume to payment for patient outcomes based on quality and cost. To that end Hartford HealthCare developed Integrated Care Partners, (ICP) a physician –led community of providers leading the way in Connecticut in transforming how health care is delivered. ICP is focused on improving the coordination of care and patient outcomes. Our member physicians define performance objectives, quality standards and evidence-based medicine protocols; forge partnerships with health plans, employers and providers; and establish requirements for ICP participation. We are focused on improving the health of the populations we serve.

Integrated Care Partners already has several contracts in place with health plans and has been actively engaged with payers to develop innovative reimbursement models that align financial incentives with our quality goals. ICP is leading our organization in moving from fee-for-service to value based payments through several shared savings agreements with both commercial insurance and government payers. This includes meeting quality metrics related to coordinating care and keeping patients healthy, to improve their quality of life and overall well-being of our communities and to reduce the cost of care.

Negotiations between hospitals and health insurance companies are part of normal day-to-day operations. Ideally, hospitals and health plans work in partnership to arrange contracts that allow for the greatest possible access to high-quality care for all health plan members. The ability to negotiate is fundamental for both parties to come to a fair compromise. As we work to transform healthcare delivery we need to work with payers who share our vision. This will bring about the best outcome for the people we serve. There may be times when we are not aligned and to force a relationship would have adverse outcomes for all stakeholders, patients, providers and payers. What we need to ensure that in the event we are unable to find common ground is that patient care is not disrupted. Robust continuity of care requirements will protect the patient far more than creating a forced partnership through arbitration.

Thank you for consideration of our position.

For more information contact: Kim Harrison 860-263-4137.