

**Testimony of Paul Taheri, MD, MBA**  
**Deputy Dean for Clinical Affairs and CEO of Yale Medical Group**  
**Submitted to the Public Health Committee Concerning**  
**SB 687, Notices to Patients of Costs for Routine Health Services**  
**SB 813, Health Care Price, Cost and Quality Transparency**  
**SB 814, Promoting Accountable Care Collaboratives**  
**SB 815, Health Care Policy and Cost Containment**

Senator Gerratana, Representative Ritter, and Members of the Committee, thank you for the opportunity to share Yale Medical Group's comments on four bills pending before the Committee: SB 687, SB 813, SB 814, and SB 815.

I am Paul Taheri, Deputy Dean for Clinical Affairs in the Yale School of Medicine and the CEO of the Yale Medical Group, the clinical practice of the School of Medicine. The YMG exists to support the academic mission of the School through hands-on training of medical students, residents, and clinical fellows. The nearly 1,500 physicians practicing in the YMG strive to provide the highest quality care anywhere and to continually advance the state-of-the-art in medicine.

In 2014, the YMG served about 450,000 patients, of whom 18% were covered by Medicaid and 35% by Medicare.

I have several comments on the pending legislation.

**SB 687** and **SB 813** both emphasize transparency for patients about the price of their health care. The YMG agrees that patients should have clear, easily understood information that assists them in making informed choices about the services they will receive and the providers who will deliver them.

However, this is easier said than done. There is not a single price for a procedure or service; the price to the patient for a service delivered by a single provider can vary significantly depending on the patient's coverage and whether the provider is in the network for that coverage. Hence it is not always easy to answer the seemingly simple question of the price to treat a patient. This is relevant to section 3 of SB 813 that would require every health care provider to disclose the "allowed amount of charge of the admission, procedure or service, including the amount of any facility fee." The YMG provides this information to patients upon request, and we find that it can take hours of staff time to compile a reliable price estimate for a patient. Given the way price varies among providers and coverage plans, disclosure of accurate price information to patients is a shared responsibility of insurers and providers.

It is also important to educate consumers about how their health care is financed, how their coverage works (such issues as in- and out-of-network, copays), and how they should seek information from their caregiver. The Healthcare Financial Management Association has published useful guides on this topic.

**SB 813** would also require the Health Insurance Exchange to establish and maintain a consumer health information website that offers comparative information across providers about quality, price, and cost. I am proud of the quality of care delivered by physicians and other providers in the YMG, and stand by our record on

value. I have a few comments that I hope the Committee will consider as you work on these provisions of SB 813.

It is widely agreed in health policy circles that measures of quality (and cost) should take into account variation in the severity of illness of patients. As a preeminent academic practice, the YMG tends to see the sickest patients with the most difficult to treat conditions. In addition, the YMG sees far more patients covered by Medicaid, or with no coverage at all, than are seen at most physician practices in Connecticut. These patients have often not had the benefit of regular access to primary care, and arrive at YMG in a more advanced state of illness (at times with related conditions) that affect outcomes for both quality and cost. Once again, collecting this information will require time and effort, and developing a system that adjusts for variation in severity of illness can be particularly challenging and would require significant investment of analytical resources.

**SB 814** would encourage health care providers to collaborate on management of care for a group of patients and to assume accountability for the quality and cost of that care. It would also authorize independent physician practices to apply to the Department of Health for certification that would enable them to negotiate with payors jointly without violating antitrust laws. We support those goals and believe they will help to improve health care delivery in Connecticut. However, we note that current law does allow joint negotiations under certain circumstances. The YMG urges the Committee to ensure that if SB 814 were enacted it would not impose limits or new requirements on existing mechanisms for joint negotiations.

**SB 815** would authorize the creation of the Connecticut Health Policy Commission to: monitor trends in health care delivery and costs; establish benchmarks for cost; require corrective plans from providers that exceed those benchmarks; and review every proposed acquisition of a health care provider if the transaction would affect competition or cost trends.

Many of those questions are worth asking, and there are a number of bodies raising them. There is a variety of governmental and private groups studying health care – MedPac, Kaiser Family Foundation, Robert Wood Johnson Foundation, among others. In addition, employers are putting strong pressure on the health care market to slow the growth in health care spending while maintaining or raising value. Within government, the Attorney General and OHCA already have broad regulatory powers to review mergers and acquisitions, and the federal Center for Medicare and Medicaid Services exercises extensive oversight of those two programs that account for the majority of patients seen at the YMG.

It is not clear that an additional body is needed, but if the General Assembly chooses to create the Connecticut Health Policy Commission, it is imperative that it receive sufficient resources to enable it to take on these complicated questions.