



March 7, 2016

Senator John Fonfara
Co-Chair
Finance, Revenue and Bonding Comm.
Legislative Office Building
Room 3700
Hartford, CT 06106-1591

Rep. Jeffery Berger
Co-Chair
Finance, Revenue and Bonding Comm.
Legislative Office Building
Room 4109
Hartford, CT 06106-1591

Re: House Bill 5493 (2016); An Act Phasing Out the Ambulatory Surgical Center Tax

Senator Fontara and Representative Berger:

I write today on behalf of the American Gastroenterological Association (AGA) to comment on House Bill 5493, which proposes amending §12-263i of the 2016 supplement of the General Statutes by phasing out the ambulatory surgical center (ASC) tax enacted by the General Assembly in 2015. Founded in 1897, the AGA is the trusted voice of the gastroenterology community and has grown to include more than 16,000 members from around the globe with more than 200 members in Connecticut involved in all aspects of the science, practice and advancement of gastroenterology. We appreciate the opportunity to provide feedback on this legislation and believe that this is a necessary step toward removing barriers that limit patient access to care.

The General Assembly took a dramatic step in 2015 when it enacted the tax on ASC services currently being considered by the Joint Finance, Revenue and Bonding Committee (the Committee). While we appreciate the importance of passing responsible and fiscally sustainable budgets, the six percent tax passed by the General Assembly is among the highest in the country and poses serious concerns for the state's ASCs. The impact of the tax is magnified because ASCs are already subject to state and local taxes. We believe that a new tax burden of this size should only be considered when sufficient stakeholder input is available, which the General Assembly did not have due to the last-minute passage of the budget bill.

Connecticut ASCs provide critical services that benefit patients by providing high quality preventive, diagnostic, and therapeutic care. Within these centers gastroenterologists provide services that are a primary option for many residents to receive screenings that can prevent serious medical conditions and provide long-term health care cost savings. This is particularly true for colonoscopy services provided by ASCs, which are viewed by the US Preventive Services Task Force as a primary means of addressing the impacts of colorectal cancer. The AGA is concerned that the tax created in 2015 could limit access to these services by reducing the number of ASCs in the state due to this substantial new cost increase.

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The use of colonoscopy as a screening and diagnostic test is one of the greatest public health stories in recent years. Concerted efforts among state and federal health care programs, private payers, and the gastroenterological community to enhance the availability of colonoscopy have led to reductions in incidence and deaths. The AGA has joined with hundreds of groups representing public health organizations, patients and health care providers in committing to achieve an 80 percent screening rate for colorectal cancer by 2018. Early detection methods including colonoscopy are proven to save lives and evidence shows that screening could prevent more than 50 percent of colorectal cancer deaths in the Medicare population. When colon cancer is detected and treated early, the survival rate climbs to 90 percent, according to the Centers for Disease Control and Prevention (*Centers for Disease Control and Prevention; Vital Signs 2013*).

Despite all of the progress made in recent years, there is still a long way to go before we reach acceptable levels of screening and detection. Patient access to services is key and we are concerned that the tax enacted in 2015 will hinder nationwide efforts by decreasing access to colonoscopy in Connecticut. Recent cuts in reimbursement from federal programs for ASCs providing colonoscopy further add to the impact of the Connecticut tax. We believe that legislation repealing the tax will help to ensure that ASCs remain a viable option for patients to access vital screening mechanisms and treatment for other gastroenterological disorders. Access to these services is an important means of improving outcomes and steps should be taken to enhance, not restrict, the ability to provide health care services to the people of Connecticut.

Thank you for allowing us the opportunity to provide the Committee with feedback on H.B. 5493. We appreciate your willingness to review this matter and we urge you to take steps to improve access to care by repealing the tax on Connecticut's ASCs. If you have any questions or require additional information, please contact Joshua Keepes, AGA's Director of Regulatory Affairs, at jkeepes@gastro.org.

Sincerely,



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