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Connecticut State Medical Society
Testimony on
Senate Bill 225 An Act Augmenting The Fee Schedule For Radiology Services Under The
Workers' Compensation Statutes and
House Bill 5449 An Act Concerning Liability For Unfair Insurance Practices In Workers'
Compensation Claims
Labor and Public Employees Committee
March 3, 2016

Senator Holder Winfield, Representative Tercyak and members of the Labor and Public Employee Committee, my name is Dr. Michael Saffir. As a Past President, Chair of our Workers' Compensation Committee and on behalf of the physicians and physician-in-training members of Connecticut State Medical Society (CSMS) thank you for the opportunity to present this testimony to you today on **Senate Bill 225 An Act Augmenting The Fee Schedule For Radiology Services Under The Workers' Compensation Statutes and House Bill 5449 An Act Concerning Liability For Unfair Insurance Practices In Workers' Compensation Claims.**

The legislative bills on the agenda today include critical issues on patient rights with access to care for injured workers.. In addition to my roles with CSMS, I serve on the Connecticut Workers' Compensation Commission Medical Advisory Panel, working with Chairman Mastropietro. The workers' compensation system is designed to protect the fundamental rights of injured workers to receive care for their injuries and have a voice in their care. The primary entities involved are the employer and the employee. Evaluation and care are given by the patient's physician through the employer's coverage via a TPA or workers' compensation insurer. The latter usually has an adjuster who is responsible for the claim and often a case manager (usually an RN) to facilitate treatment. To provide for adequate and reasonable care, the Workers' Compensation Commission has put additional tools in place, which include a universal fee schedule for physicians and medical treatment guidelines under the guidance of Chairman Mastropietro and the Medical Advisory Panel.

The bottom line is based on quality outcomes for the patient's recovery and return to life/work relative to the cost. The medical cost of each injury is based on its severity, which results in a number of services times cost per service. In addition to medical costs, there are claims management costs per claim, indemnity costs for lost wages, and insurance costs.

HB 5449 attempts to bring increased accountability to claims management, where problems with the administrative process or conflicting interests to reduce costs can have a negative impact on medical care. The Workers' Compensation Commission has dispute resolution options in place, including several types of hearings, and the Chairman has made this a priority. Obviously, if there are egregious actions and bad faith, then distinct liability may arise. The Workers' Compensation Commission has options to assess fines and remove these participants, if feasible. Physicians understand that accountability and access to quality care are fundamental considerations for the doctor-patient relationship. The Connecticut State Medical Society is ready and willing to provide further input on this issue as needed.

SB 225 deserves special attention as it comes from an interesting sponsor and asks for a specialty increase in fees for radiology services. Clearly these imaging studies need high quality technology and professional experience that warrant reimbursement. As I understand it, a major driver for this bill is a company called One Call Care Management. What must be understood is that One Call works to extract huge discounts in fees through cornering the market for referrals and denying choice to the patient. Therefore, if this bill allows fee increases as requested, One Call will pocket a significant portion, while offering a discount to the insurer but only a fraction to the Radiologists, who can confirm that One Call provides little in the way of services to warrant this extortion. The radiologists would and could gladly and easily schedule all radiology referrals without use of this management service, and utilize the Workers' Compensation Commission's fee schedule as it was intended in order to compensate them for the services they provide. In the absence of One Call, radiologists would receive the appropriate rate. The Workers' Compensation Commission has traditionally worked with the Connecticut State Medical Society, including through the creation of and adjustments to the fee schedule and treatment guidelines, in order to sustain a quality system. As with other benefits management companies, One Call's fees should be paid solely by the carriers who employ them. Their fees should not be deducted from fees that are designated to go to the providers. The Workers' Compensation Statutes provide a state-sponsored system that was put into place to protect workers. Therefore, I would ask that any legislation contain provisions to either exclude these third party profit-seekers if their services add no value to the system, or to closely regulate them through a cap. One Call has parlayed its business model that gave them a \$2 billion dollar valuation two years ago, and they are counting on this bill to further continue their model. I ask you to change it for the benefit of the injured workers.

As a physician who actively cares for patients and as an advocate for them with the Connecticut State Medical Society and on the Workers' Compensation Commission Medical Advisory Panel, I will continue to work with the Chairman, Connecticut State Medical Society EVP/CEO Matthew Katz, and the radiology specialists to balance the system to provide reasonable quality care.

Thank you for the opportunity to provide this testimony