



**TESTIMONY
PUBLIC HEALTH COMMITTEE
Monday, March 7, 2016**

SB 351, AN ACT CONCERNING MATTERS AFFECTING PHYSICIANS AND HOSPITALS

Yale New Haven Health System (YNHHS), Connecticut's 3rd largest employer, appreciated the opportunity to submit testimony concerning *SB 351, An Act Concerning Matters Affecting Physicians and Hospitals*

Yale New Haven Health System (YNHHS), comprising Bridgeport Greenwich and Yale-New Haven Hospitals and their affiliated organizations, including the Northeast Medical Group is Connecticut's leading healthcare system. With over 20,000 employees and over 6,300 medical staff, we are among the largest employers. YNHHS provides comprehensive, cost-effective, advanced patient care characterized by safety, quality and service. We offer our patients a range of healthcare services, from primary care to the most complex care available anywhere in the world. YNHHS hospital affiliates continue to be a safety-net for our communities, and we provide care 24 hours per day, seven days per week. In addition to being economic engines for our communities, YNHHS hospitals care for more than one quarter of the State's Medicaid patients and provide millions of dollars in free and uncompensated care to those who need our services and have no ability to pay for them.

We are very concerned about sections of SB 351 which seeks to make various changes and additions to the public health statutes on matters affecting physicians and hospitals. While we can understand the Committee's desire to address this issue, we believe that the bill is problematic in that its provisions are arbitrary and does not provide a level playing field for all entities. If the Committee chooses to move forward with the bill, the scope of a permissible non-compete covenant, as described in the bill, should be the same regardless of whether the physician's employer is a health system, medical foundation or a group practice. Additionally, we believe that language in the bill that seeks to prohibit the corporate practice of medicine may cause a consequence not intended by the committee. If enacted, section 4 of the bill will potentially make it more difficult for hospitals and medical foundations to require physicians to follow particular clinical protocols that may be in the best interest of our patients.

Furthermore, the language in Section 5 of the bill attempts to regulate captive professional entities by requiring an annual report, thereby equalizing the playing field with foundations and large group practices. However, the language is very broad, and in some cases, will require duplicate reports. The language could also be misinterpreted as authorizing captive professional entities to practice medicine.

As indicated above, we find many provision of SB 351 problematic. We therefore encourage the Public Health Committee to work with the Connecticut Hospital Association to craft language that will work for all Connecticut hospitals. We have also attached a marked-up copy of SB 351 to our testimony that contains suggested edits that appears in pink and green text.

Thank you for your consideration of this important matter.