April 26, 2019

RE: Support CT SB 1131: An Act Concerning the Ambulatory Surgical Centers Tax

Dear Chairman Fonfara and Chairman Rojas:

On behalf of the American Society for Dermatologic Surgery Association (ASDSA), a surgical specialty organization representing over 6,400 physician members, I am writing to urge you to support Senate Bill 1131. This bill will put an end to the tax on ambulatory surgery centers (ASCs) and will support the role of these outpatient facilities in containing health care costs while providing quality patient care.

ASCs are outpatient health care facilities that provide same day surgical procedures and care, which includes diagnostic and preventive health care procedures that would be financially excessive to the patient if performed in a hospital setting. In Connecticut alone, more than 200,000 medical procedures are performed at ASCs annually, which gives physicians more control over the surgical experience than they would in an inpatient setting. These facilities are regulated by both the state and federal government and keep co-payments and deductibles at a reasonable level for Connecticut patients.

When examining the cost of treating skin cancer, research shows that the median cost of an operating room procedure is $11,589; when performed in an outpatient setting, that cost is drastically reduced to a median of $1,773.¹ We know that outpatient dermatologic surgery is safe, with a complication rate of approximately 1.5%, which shows _no difference_ compared to inpatient settings.² Most crucially, short and long-term patient satisfaction rates are high after outpatient dermatologic surgery.³

A Connecticut study by the American Medical Association (AMA) found that physicians make a strong contribution to economic growth in the state. As such, ASCs are physician practices and contribute in a positive manner to the state economy. The current tax has had an unfortunate effect on ASCs and SB 1131 will rectify this. Without this legislation, $15 million is removed in capital that could have otherwise been invested in the medical sector, including new technologies. Recruiting physicians to practice in Connecticut is difficult if they prefer to work in an ASC rather than a large, hospital setting.

For the reasons listed above, I urge you to support SB 1131 and ensure that ambulatory surgical centers can continue to provide high quality, affordable care to the patients of Connecticut. Should you have any
questions, please do not hesitate to contact Emily Besser, Manager of Advocacy and Practice Affairs, at 847-956-9121 or ebesser@asds.net.

Sincerely,

Murad Alam, MD, MBA, President
American Society for Dermatologic Surgery Association

cc: Marc D. Brown, MD, President-Elect
Mathew M. Avram, MD, JD, Vice President
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Katherine J. Duerdoth, CAE, Executive Director
Kristin A. Hellquist, MS, CAE, Director of Advocacy and Practice Affairs

cc: Members of the Finance, Revenue and Bonding Committee

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