

DDA | DIGESTIVE DISEASE ASSOCIATES

Jack Chuong, MD | Michael Dorfman, MD | Keri Herzog, MD | Christopher Illick, MD

Date: 4/25/2019

Re: S.B. No. 1131 (RAISED) AN ACT CONCERNING THE AMBULATORY SURGICAL CENTERS TAX

Dear Committee Members,

We are writing this letter in support of S.B. No. 1131 – An act concerning the ambulatory surgical centers tax. We are a small, 4 physician, independent Gastroenterology practice with offices in New Haven, Branford and Westbrook. Our practice employs 19 full time and 8 part-time nurses and staff. As the owners of a 2 room ASC in Branford, the proposed legislation is critical to our long term financial health. The passage of the \$1M exemption, in the previous budget, has already played a significant role in our practice's long term planning. The extra \$60,000 per year was a key contributor to our recent decision to invest and expand into a larger state of the art ASC in Branford. Due to the size limitations and regulatory constraints on our previous facility, we were limited in our ability to grow. The investment in a new ASC represents not just an investment in our practice, but also an investment in the downtown Branford business district. This project has been very well received and supported by town hall throughout the planning and construction process. Construction will be completed in May.

As an independent ASC, we take great pride in our ability to provide medical care at some of the lowest costs in the region while also providing the highest quality of care. The construction and expansion into our new ASC will provide greater access to the high quality, lower cost care we provide. The continued Medicaid and Medicare exemption, and the addition of a new deduction on 50% of our Medicaid revenue, will further reinforce our ability to serve our entire patient population going forward.

With the growth of high deductible plans, we believe that our ability to provide high quality, low cost care isn't just important to our practices long term health and success, but also critical to our patient's financial well being. Maintaining the \$1M exemption and expanding the Medicare/Medicaid exemption will help ensure our ongoing ability to serve the entire Connecticut shoreline community. We welcome any questions about our expansion and the role that the ASC exemptions have played in our decision making process. We would also extend an invitation to the Committee members to visit our new Branford ASC to see what high quality/low cost care looks like in 2019.

Sincerely,

Jack Chuong, MD

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Keri Herzog, MD

Christopher Illick, MD