

# Insurance and Real Estate Committee

## JOINT FAVORABLE REPORT

**Bill No.:** SB-1051

AN ACT ESTABLISHING A TASK FORCE TO STUDY MEDICAL PRACTICE

**Title:** OWNERSHIP MODELS.

**Vote Date:** 3/22/2021

**Vote Action:** Joint Favorable

**PH Date:** 3/18/2021

**File No.:**

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### **SPONSORS OF BILL:**

[Sen. Saud Anwar, 3rd Dist.](#)

[Rep. Travis Simms, 140th Dist.](#)

### **REASONS FOR BILL:**

This bill would create a task force to convene various stakeholders including patient advocates, economic experts, public health experts, policymakers and other state officials, a handful of medical providers, and others “to study the corporate practice of medicine doctrine, health carrier ownership of medical practices located in this state and medical practice ownership models that ensure the integrity of medical judgments, optimize patient outcomes and minimize corporate influence.

### **RESPONSE FROM ADMINISTRATION/AGENCY:**

None Expressed

### **NATURE AND SOURCES OF SUPPORT:**

**CT Hospital Association (CHA)** stated they believe broader stakeholder representation is needed. It is important to acknowledge that, since early 2020, Connecticut’s hospitals and health systems have been at the center of the global public health emergency, acting as the critical partner in the state’s response to COVID-19. Hospitals expanded critical care capacity, stood up countless community COVID-19 testing locations, and are a critical component of the vaccine distribution plan. Through it all, hospitals and health systems have continued to provide high-quality care for everyone, regardless of ability to pay.

### **NATURE AND SOURCES OF OPPOSITION:**

**Michelle Rakebrand, Senior Govt Relations Director, Connecticare** stated they encourage this proposal to be looked at more closely before enacting legislation. We oppose the general concept and the unilateral composition of the task force. If the underlying premise of this bill were enacted, it would disallow insurance companies from having ownership in medical practices in this state. Health insurance companies do not invest in medical practices to increase profit margins, they invest as a cost saving mechanism. Insurance carriers want to compensate doctors based on the health quality metrics they achieve; not how many procedures are performed. Ownership in medical practices help improve health care services and rein in spending. While ConnectiCare is supportive of an appointed task force to study the proposed concept, the slanted composition of the task force outlined in this bill will not yield impartial recommendations. Of the sixteen person task force, 25% of members represent physician interests. Yet there is no health insurance carrier representation on the task force. For an unbiased study to be conducted, carriers must have the same number of appointed members as providers to ensure all stakeholders are adequately represented.

**Reported by: Diane Kubeck**

**Date: March 29,2021**