

Public Health Committee JOINT FAVORABLE REPORT

Bill No.: SB-449

AN ACT CONCERNING THE RECRUITMENT AND RETENTION OF

Title: PHYSICIANS IN THE STATE.

Vote Date: 3/25/2022

Vote Action: Joint Favorable Substitute

PH Date: 3/21/2022

File No.:

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SPONSORS OF BILL:

The Public Health Committee

REASONS FOR BILL:

Workforce shortages in the healthcare industry have been building for years. The pandemic only exacerbated this situation. All sectors of health care are striving to not only to keep the current workforce, but also to recruit and retain new providers. This bill is targeted to enhance physician recruitment and retention. This bill requires the Office of Higher Education working with the Department of Public Health (DPH), and within available appropriations, to administer a physician student loan reimbursement program. This program would provide reimbursement grants of 20% of the physicians' student loan balance per year.

In addition, the bill requires the commissioner of DPH to establish a working group to advise her on ways to improve retention and recruitment of physicians. The group would need to examine strategies to recruit, retain and compensate a variety of healthcare providers including primary care, psychiatric and behavioral health care physicians. In addition, the working group would be required to examine the effectiveness of a loan forgiveness program, evaluate the effect of malpractice insurance on health care access, and determine if assistance for graduate medical education training should be considered.

RESPONSE FROM ADMINISTRATION/AGENCY:

Manisha Juthani, Commissioner, Department of Public Health (DPH):

DPH supports the intent of a student loan repayment program (SLRP) but has concerns with the program being limited to physicians and the impact of such a program on funding. The provider shortage in Connecticut is seen across a broad scope of the health care workforce.

DPH believes a more inclusive SLRP will have a greater impact on the health care provider shortage in our state. Regarding the section of the bill which would waive license renewal fees, this would reduce revenue to the General Fund by over \$9 million annually and decrease the funds directed to Health Assistance InterVention Education Network (HAVEN), a professional assistance program for licensed health care providers, by over \$80,000 each year. It is important to note that this significant loss of funding has not been addressed in the Governor's budget. This bill also requires the creation of a task force to study several areas pertaining to recruitment and retention of physicians including the impact of malpractice insurance. Although well intended, it should be noted that DPH has limited expertise and involvement in matters related to malpractice insurance and the insurance industry. Also, the bill requires DPH to consult with medical schools to study methods to support and increase medical residency programs, such a study would fall outside of the scope of DPH which has no oversight of medical schools beyond licensing physicians and issuing permits. Finally, the bill establishes a reimbursement grant of 20% per year on physicians' student loans, this would create a significant unbudgeted cost for DPH. The department does not have the funding nor the staff to implement such a program.

Senator Martin Looney, President Pro Tempore, CT General Assembly (CGA):

Senator Looney supports this legislation noting that it would strengthen the protections for physicians from covenants pertaining to non-compete issues which were created in PA16-95. The Senator questions why these stronger protections would be only for physicians employed in practices with more than 16 doctors and not include those employed by hospitals or equity backed entities.

NATURE AND SOURCES OF SUPPORT:

Connecticut Hospital Association (CHA):

CHA supports all the provisions of the bill except for Section 2 which makes changes to the current covenant regarding the not to compete framework. CHA requests that this section be removed from the bill. The Office of Health Strategy (OHS) has convened a Physician Practice Workgroup to examine this issue and CHA recommends allowing this workgroup to consider this issue before any legislative change. In addition, CHA encourages the Committee to consider broadening the scope of this program to address the health care workforce shortage in other areas. CHA recommends more comprehensive action as outlined in an initiative introduced by Governor Hochul in New York.

Connecticut State Medical Society (CSMS):

CSMS believes that loan forgiveness programs are necessary in our state if we want to retain the top talent that we train. However, in addition to loan debt, there are other reasons physicians may leave including a highly concentrated insurance marketplace, industry specific taxes, and issues involving malpractice insurance. Recognizing that the goal of this bill is to recruit and retain physicians, it is confusing to the CSMS why the issue of the covenant not to compete is wrapped into this legislation. Preserving the non-compete provisions protects the substantial investment these practices make to recruit physicians and discourages them from selling out to other larger entities. The non-compete language in this

bill is unnecessary and interferes with the goal of the bill. CSMS strongly suggests this section be removed from the bill.

Dr. Bruce Liang, Interim CEO of UConn Health and Dean of the School of Medicine:

UConn Health supports this legislation except for Section 2. They would oppose any provision that prohibits physician non-compete agreements. In any clinical practice like that of UConn Health, an employer invests significant funds to recruit physicians and assist them in setting up a self-sustaining and, hopefully, profitable practice. Voiding all non-competes would not only present a significant cost to UConn Health, but it would impact our public mission to provide services to Medicaid and underserved patients.

Daniel Frees, Past President, CT College of Emergency Physicians:

Dr. Frees often engages with residents discussing job considerations, desires, and impressions of the job market locally, regionally and nationally. Regrettably, Dr. Frees states unequivocally that Connecticut is not seen as an attractive location to practice medicine. Graduating students and physicians considering a move to CT cite the high tax burden and cost of living, poor medical business environment, a low reimbursement on student loan debt, and medical malpractice protections as reasons to look elsewhere or leave the state. This legislation is a good start toward addressing some of these concerns.

Kizzi Belfon Louison, First Year Medical Student:

Ms. Louison supports the provisions of this bill aimed to reduce the financial burden to all future physicians and especially a minority woman from a working-class background such as herself. This type of program not only provides reasonable financial debt, but affords the freedom to select specialties without being limited by salary. This could mean more physicians working in communities with inadequate access to healthcare and many more would choose areas such as internal medicine, pediatrics and other specialties that focus on preventative care. A loan forgiveness program will help diversify the physician work force in CT by helping minorities who may be financially excluded. Ms. Louison noted that research has shown that black patients cared for by black physicians have better outcomes than those served by white physicians.

Additional Sources of Support Include:

- Kimberly Harrison, Hartford HealthCare
- Kathleen Silard, Stamford Health
- Dr. Ibrahim Elali, Assistant Professor of Medicine, American Association of University Professors.
- Debbie Osborn, Executive Director, Representing a Society of Doctors in Urology, Dermatology, Otolaryngology and Ophthalmology.
- Dr. Tim Siegrist, President, CT Urology Society
- Dr. Guy Manetti, President -elect of Ct Urology Society
- Dr. Mona Shahriari, President, CT Dermatology and Dermatological Surgery Society
- Dr. David Boisoneau, Past President, CT ENT Society

NATURE AND SOURCES OF OPPOSITION:

Dr. Douglas Olson, Medical Director, Health Assistance InterVention Education Network (HAVEN):

Dr. Olson presented testimony in opposition to Section 3 of the bill and the negative impact it would have on HAVEN. This provision would disseminate a critical funding source for HAVEN. We are the leading organization in the state aimed at ensuring the best health and wellness care for our physicians and the extended licensed workforce. Not providing these individuals with this necessary support could also negatively impact patient safety. In addition, HAVEN questions the timing of this provision since it stands in contrast to ongoing national efforts to recognize the behavioral health needs of all front-line health care workers. HAVEN requests the Committee remove Section 3 of the bill that waives physician licensing renewal fees.

Maureen Sullivan, Former CEO of HAVEN and Mariella Le Rosa, Current CEO, Haven:

In their joint testimony, Ms. Sullivan and Ms. La Rosa reiterate the comments of Dr. Olson above. HAVEN supported more than four hundred professionals in 2021. This number does not reflect the number of inquiries and requests for resources not resulting in a referral. Physicians referred to this program have a higher likelihood of attaining remission and maintain fitness to practice. If this provision in the bill were to pass, it would represent a loss of almost \$100,000 to HAVEN in the three years. HAVEN respectfully submits that a waiver of this amount is not significant in recruiting or retaining physicians and requests that Section 3 be removed from the bill.

Reported by: Kathleen Panazza

Date: 4/7/2022