Good afternoon Chairmen Dyson and Nickerson and distinguished members of the panel. My name is Barry Stein and I am the Medical Director of the Surgery Center of Fairfield County and North Haven Surgery Center. I am a board-certified anesthesiologist and provide medical care for adults and children in community-based ambulatory surgical centers.

Annually, over 150,000 Connecticut patients undergo same-day surgical procedures, from joint replacements to colonoscopies, at Ambulatory Surgery Centers (ASCs). ASCs are community-based, typically physician-owned facilities that provide high quality, cost-effective alternatives to traditional hospital outpatient care.

According to the Ambulatory Surgery Center Association (ASCA):

- In 2012, Medicare saved more than $8.8 million on cataract procedures because its beneficiaries elected to have those procedures performed in Connecticut ASCs.
- On just 1,300 arthroscopic knee and shoulder surgeries, Connecticut ASCs saved Medicare more than $1.5 million.
- Connecticut patients saved $1 million by electing to have their colonoscopies performed in ASCs.

However, a recently imposed ASC provider tax of 6% on Connecticut ambulatory surgery centers threatens patients’ access to the high-quality, cost-effective, community-based surgical care. Limiting access to ACSs will result in increased healthcare cost to patients through higher deductibles and copayments.

It is estimated that the newly imposed provider tax will cause as many as 25% of ambulatory surgery centers in the state of Connecticut to operate at a loss and be at risk for closure. With the closure of ASCs in Connecticut, more physicians will turn to hospital employment, thereby increasing the cost of their services.

Closures will also result in the loss of jobs for Connecticut residents employed in the centers. Surgery centers that remain open may need to reduce the services offered, thus resulting in workforce reductions.

For the protection of the patients we serve and our dedicated workforce, I strongly urge the panel to recommend to the legislature to repeal the ASC provider tax in the 2016 legislative session.

Thank you for the opportunity to participate in today’s panel hearing.