



**Remarks by Robert Russo, MD, President of the Connecticut State Medical Society  
Roundtable on Hospitals and Healthcare  
November 6, 2014**

Senator Looney, Senator Fasano and all members of the Roundtable on Hospitals and Healthcare, my name is Robert Russo, MD. I am currently the President of the Connecticut State Medical Society (CSMS). On behalf of all of our physicians and physicians in training, thank you for the opportunity to sit before you today to discuss the impact of health system transformation on the individual physician.

First, it is important to note the CSMS represents members in every type of practice model, from private solo practitioners to those employed by large hospitals or health systems. As mergers in hospitals and health systems continue in Connecticut, we are concerned about what will happen to the physicians we represent and their patients.

CSMS has consistently raised two areas of significant concern as to the merger process:

- There is little or no input from physicians at the hospital level regarding the care delivery system
- Insurance companies are manipulating the networks surrounding patient care.

We consider both issues closely related to the quality of care. As such, they must have meaningful input from practicing physicians, if there are to be significant changes within the system that affect care delivery.

In particular, at the present time the medical executive committees of the hospitals and the credentialing committees control discussions and decisions regarding care quality within the hospitals themselves. The medical executive committee usually has power over the practice of medicine within the hospital, regardless of the affiliation of the physician delivering care.

As larger entities continue to consolidate and acquire additional hospitals, it is imperative that this control over quality and performance within the local hospital setting remains predominantly within the purview of those locally-practicing physicians. For example, the collaborative approach of a local medical executive committee must not be replaced by a centralized corporate medical executive committee that does not understand the needs of the local hospital and those providing care within the system, nor understand the individual needs of the local population and hospital patients, but rather focuses on the needs of the central system as its prime directive.

CSMS, in cooperation with the hospitals in Connecticut over so many years, firmly believes this system of physicians and hospitals collaboratively setting policies in the best interest of patients is far superior to any alternative. When decision-making responsibilities are taken from the local hospital and community physicians, the ability to respond to local needs is diminished and

attention to the needs of individual patients also decreases. Furthermore, as medical executive committees serve as an appeal mechanism for patients and physicians within the hospital, problem-solving capability is best left at a local level where a more intimate knowledge of the physician and the patient population exists.

Another necessary hospital-based committee, the credentialing committee, enables the local hospital to define the scope of practice of the hospital staff physicians and monitors the performance of the credentialed physicians. Removing the credentials committee function from the local hospital and replacing it with a centralized process would remove local knowledge, and dilute the understanding of the needs of the local patient population. Furthermore, unless these committees are made up of a majority of physicians who are in active clinical practice in the community, the possibility of the corporate practice of medicine becomes significant.

The other outstanding issue which must be addressed is the power of the insurance companies within the state of Connecticut to significantly influence the quality of care. The effort of insurance companies to narrow their networks to the point of having control over the quality of medical care is very concerning. This concept of “megamergers” raises the concern that physicians and patients will be left out of the negotiations of how medicine will be practiced. An example of this occurred last year when UnitedHealthcare dropped 2,250 physicians without warning and without cause from its Medicare Advantage program. It cannot be disputed that the quality of care change significantly for those impacted patients. Based on the unilateral financial decisions of an insurer, many physicians became out-of-network overnight. The patients, who had been with them for years, even decades, could no longer afford to see them.

A multisystem hospital corporation will have the power to negotiate for multiple hospitals, and a handful of insurers dominate our marketplace. The only constituency groups that are unable to negotiate are the physicians and their patients.

Physicians for years have had their own referral networks, and know the quality of the physicians to whom they refer their patients. However, in this new age, insurance companies now decide who provides care and what network physician patients will be allowed to see. All this is based on economics, not quality. The backbone of primary care within the state of Connecticut is the independent community physician who provides the gateway to medical care. These physicians cannot collectively discuss or negotiate issues of quality, as anti-trust laws prohibit them from doing so. They also increasingly cannot participate in networks that are closed by insurance companies or by large hospital systems. These physicians, who are the most efficient in the delivery of care, may be excluded from insurance products currently available to their existing patients. Since they are not employed by large hospital systems, they may be excluded from the local hospital staff as well. These physicians should have the right to admit patients to the local hospitals within their market share region. They should be able to access hospital accredited Continuing Medical Education (CME), medical committees, and advanced healthcare technologies. It is imperative that these independent physicians be able to share in Health Information Technologies (HIT) systems and libraries. Excluding these independent community physicians would be a great detriment to Connecticut's patients. Some form of any willing provider system must be enacted to protect the primary care physicians in the state.