

PO Box 854 Litchfield, CT 06759 Tel 860-567-3787

Written Testimony of the Connecticut Society of Eye Physicians Connecticut Dermatology and
Dermatologic Surgery Society Connecticut Urology Society

On

S.B. No. 499 (RAISED) AN ACT CONCERNING MEDICAID RATE INCREASES.

March 17, 2026

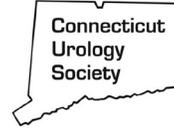
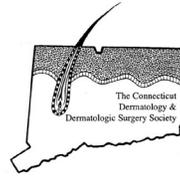
To the honorable Co-chairs Senator Lesser and Representative Gilchrest, Ranking
Members Senator Perillo and Representative Case and Members of the Human
Services Committee.

On behalf of the over 600 physicians and physicians in training in the medical
specialties of Dermatology, Ophthalmology and Urology.

We strongly urge you to increase Medicaid reimbursement for physician services, not
only as a matter of great importance to the general welfare of Connecticut's healthcare
community but as a lifesaving and changing measure for some of the neediest citizens
in our community. As physicians, we see firsthand the challenges that healthcare
providers face in delivering quality care to those in need. Despite our best efforts, too
many of our patients struggle to access the care they require due to a lack of resources
and support. This is particularly true for those who rely on Medicaid.

Despite the vital role that Medicaid plays in providing healthcare to those who need it
most, physician reimbursement rates under Medicaid are often woefully inadequate.
Physicians are faced with the economic reality that they cannot afford to take Medicaid
patients due to the general time factor in caring for these patients at a rate that will not
cover overhead costs. As noted in the recently released Myers and Stauffer Medicaid
Phase 1 Study, physicians receive an average of 56% of Medicare reimbursement for
the most commonly billed surgical CPT codes and 65% for outpatient services provided
to patients on Medicaid.

This simply is not tenable in a business model that requires over 70% of revenue to run
a medical practice. For many common codes, the reimbursement is even worse. For



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most office-based evaluations and procedures, the overhead (amount that it costs to deliver the service in nurse and staff salaries, rent, utilities, electronic medical record, and supplies) exceeds the amount that Medicaid reimburses. Therefore, current Medicaid reimbursement rates result in physicians providing medical care for a loss.

In a time of pressure on medical practices and high inflation, such a reimbursement scheme is not sustainable and strongly disincentives participation in this critical program for Connecticut physicians. The disparity in compensation has led to a shortage of providers willing to accept Medicaid patients. Those providers and institutions that do accept Medicaid, like UCONN, are overburdened.

In closing, please consider that we are on the cusp of a major healthcare delivery system failure and a severe shortage of physicians in Connecticut. This is partly due to the lack of tort reform, physicians' inability to negotiate fees with insurers, and the high cost of doing business. Compounding this is the ever-increasing presence of private equity models that focus on profit over patient care. Unfortunately, this most vulnerable Medicaid population is at an even higher risk for delayed and fragmented medical care resulting in widening health care disparities, due to the numerous factors stated above that are plaguing the delivery of care.

The situation is dire and puts further strain on emergency departments, large health systems, and community health centers, all of which are still recovering from the COVID-19 pandemic. Increasing Medicaid reimbursement for physician services would incentivize more providers to participate in the program and provide much-needed preventative and timely medical care for these patients which will help reduce expenses to the health care system. Physicians understand that the issue of healthcare funding is complex and multi-faceted, but we implore you to consider the critical need for increased Medicaid reimbursement for physician services.

Our patients deserve access to quality, affordable care, and it is our responsibility to ensure that they receive it. Your leadership in this matter will have a lasting impact on the health and well-being of our citizens for years to come. Thank you for your time and consideration.