



**Testimony of
The Connecticut Society of Pathologists
In Opposition to HB 6864 (State Budget Proposal of the Governor)
February 28, 2025**

The Connecticut Society of Pathologists (CSP) **OPPOSES HB 6864**, as this proposed budget of the Governor would only allocate approximately \$60 million over three years for physician Medicaid rate increases. This level of increase is grossly insufficient and will impair Medicaid access for patients.

CSP STRONGLY SUPPORTS the Connecticut legislative leadership proposal to allocate over a four-year period \$250 million for physician rate increases. The legislative leader proposal does recognize that current Connecticut payment rates for physician services in the state Medicaid program are egregiously insufficient and inequitable, given that these increases would come after nearly two decades of Connecticut budget inaction on rate increases for physician services. **In Connecticut, no physician specialty has experienced a significant rate increase since 2007.**

In 2024, physician specialties in Connecticut averaged 57% of the 2007 Medicare fee schedule. The Connecticut state funded 2024 "Phase 1 report of Medicaid Rate Reimbursement" found that for pathology and laboratory services, Medicaid payment rates were at 77% non-facility and 74.6 % facility of a five-state average, and 50% of the current Medicare rate non-facility and 56% of the Medicare rate for facilities. Given these relevant benchmarks, Medicaid payment rates in Connecticut for pathology and laboratory service are abysmally below average when compared with other State Medicaid programs and the federal Medicare program.

The net effect of these low payment rates is erosion in the state Medicaid network of physicians and the services they provide or are needed to supervise, in the case of pathology. The position of the College of American Pathologists (CAP) and the CSP is that Medicaid payment rates should be raised to Medicare rates as part of ensuring access to health care for Medicaid patients. The Connecticut legislative leaders' proposal beneficially moves in that direction.

In sum, the legislative leaders' proposal is critically needed to maintain Medicaid patient access to pathology and laboratory services and the financial viability of these services, especially in light of the above average inflation rate and intensely escalating costs that occurred following the COVID 19 pandemic. Thank you for consideration of these comments in opposition to the Budget Proposal of the Governor.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "J. Earle".

Jonathan Earle, MD
President