

<b>Act Number</b>	<b>Session</b>	<b>Bill Number</b>	<b>Total Number of Committee Pages</b>	<b>Total Number of House Pages</b>	<b>Total Number of Senate Pages</b>
PA 71-445		1226	16	3	4
<u>Committee Pages:</u> <ul style="list-style-type: none"> <li>• <i>Public Health &amp; Safety</i> 524-534</li> <li>• <i>Public Health &amp; Safety</i> 769</li> <li>• <i>Public Health &amp; Safety</i> 789-792</li> </ul>				<u>House Pages:</u> <ul style="list-style-type: none"> <li>• 3953-3956</li> </ul>	<u>Senate Pages:</u> <ul style="list-style-type: none"> <li>• 2212</li> <li>• 2219-2220</li> </ul>

**H-116**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
1971**

**VOL. 14  
PART 9  
3878-4343**

Thursday, May 27, 1971

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concerning the qualification of electors in order to bring Connecticut into compliance with the federal voting rights act of 1970. The proposed amendment does 3 things. It lowers the age for electors to anyone who has attained the age of 18 years; it removes the residency requirement of 6 months, as well as the requirement of reading of the English language and the words "who sustains a good moral character". In place, are the words "who is (inaudible) in the town in which he applies for admission as an elector. This is an excellent resolution, I would urge its adoption.

MR. SPEAKER:

In view of the fact it is a constitutional amendment, the gentleman from the 151st has asked it be passed temporarily. IT will require a roll call and there are 3 or 4 executive sessions going on.

CLERK:

Will you make a note in your calendar, Calendar 1131 is a substitute House Joint Resolution.

Page 11, Calendar 1141, Substitute for Senate Bill 1226 -

An Act Concerning Nonprofit Health Care Centers (as amended by Senate Amendment Schedule A)

MR. SPEAKER:

Dr. Cohen of the 41st.

REPRESENTATIVE COHEN:

I move acceptance of the joint committee's favorable report and passage of the bill in conjunction with the Senate.

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MR. SPEAKER:

Will you remark.

REPRESENTATIVE COHEN:

I think there is a Senate Amendment we should hear.

MR. SPEAKER:

Clerk call Senate Amendment Schedule A.

CLERK:

Senate Amendment Schedule A.

Add Section 19 as follows: Nothing in this act shall preclude an insurance company authorized to do an action and help insurance business in this state from performing marketing enrollment, administration and other functions and from providing hospitalization insurance, including, but not limited to emergency and out of area benefits in conjunction with the plans providing health care to subscribers under the existing provisions of the general statutes".

REPRESENTATIVE COHEN:

I move adoption of the amendment.

MR. SPEAKER:

Questions on adoption of Senate Amendment Schedule A. Will you remark.

REPRESENTATIVE COHEN:

This is a good amendment for this bill. It allows insurance companies to do what it already is permitted by law. It helps the bill.

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Further remarks on Senate Amendment Schedule A. If not, all those in favor indicate by saying Aye. Senate A is adopted and ruled technical.

REPRESENTATIVE COHEN:

I move passage of the bill as amended by Senate Amendment Schedule A.

MR. SPEAKER:

Will you remark.

REPRESENTATIVE COHEN:

I am sure we are all quite aware of the urgent need for efficient and effective organization of our resources for personal health and medical care services in the state. This need is recognized by the leaders of our medical profession. Our own Public Health and Safety Committee has dedicated itself to the task of arresting sky rocketing costs of health care, and is offering this bill as a first of 4 pieces of legislation which when enacted will go far toward accomplishing this worthwhile goal. Costs of health care continue to rise so steeply as to price these services beyond the reach of many of our citizens. This bill recognizes that there is the need for better organization of medical care availability and that it costs that most people can't afford. This bill will make possible formation of prepaid nonprofit group practice plans.

MR. SPEAKER:

Representative Lyons.

REPRESENTATIVE LYONS:

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I rise in support of the Cohen plan, Mr. Speaker. ad

MR. SPEAKER:

Further remarks. If not, all those in favor of the bill as amended, indicate by saying Aye. Opposed. This bill is passed.

CLERK:

Calendar 1142, Substitute for Senate Bill 1333 - An Act Concerning The Furnishing of Heat, Hot Water and Light by Public Service Companies.

MR. SPEAKER:

Representative Simons.

REPRESENTATIVE SIMONS:

I move for the acceptance of the joint committee's favorable bill in concurrence with the Senate.

MR. SPEAKER:

Will you remark.

REPRESENTATIVE SIMONS:

This bill would not permit the public service companies to disconnect anybody's gas, light or heat without a statement from the lessee to the lessor who would present that particular statement to the utility company. In the case of a vacant apartment, the lessor would have to have a notarized statement to the utility company. I move for the acceptance of the bill in concurrence with the Senate.

MR. SPEAKER:

Will you remark further. If not, all those in favor indicate by saying Aye. Opposed. The Chair is in doubt. All those in

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THE CHAIR:

Shall we pass this, Senator, whatever you wish? There being no objection the Senate will stand in recess until approximately 6 O'Clock.

THE SENATE AT 5:13 P.M., RECESSED

AFTER RECESS

The senate was called to order, after recess, at 9:25 P.M., the President in the Chair.

SENATOR CALDWELL:

Mr. President, going to the Calendar, in addition to the matters which I indicated to take up earlier, this afternoon, may we take up the following: on page 3, Cal. 621; on page 7, Cal. 707 and 714; on page 8, Cal. 731; on page 9, Cal. 736 and 737; on page 10, may we place on the Foot Cal. 743, may we take up Cal. 749 and 750; on page 12, may we take up Cal. 764 and 767 and on page 16, may we take up Cal. 792. If any of these matters are single starred may we take them up under suspension of the rules?

THE CHAIR:

There being no objection, the rules will be suspended concerning any single starred items.

SENATOR CALDWELL:

If I haven't previously mentioned it may all other double starred items be passed retaining their place. At this time, Mr. President, I'd like to move for the acceptance of the committee's favorable report and the passage of the following Calendar Numbers: 707, 714, 736, 749, 750, 767 and 38.

1484, 6494, 1226, 6862, 6895, 1562

THE CHAIR:

Senator, would you move for suspension of the rules, for that purpose?

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THE CLERK:

CAL. NO. 736. Favorable report of the Joint Committee on Public Health and Safety. Substitute for Senate Bill 1226. An Act Concerning Non-Profit Health Care Centers.

SENATOR PAC:

Mr. President, I move acceptance of the joint committee's favorable report and passage of the bill. The Clerk has an amendment.

THE CLERK:

SENATE AMENDMENT A. offered by Senator Pac:

Add Section 19 as Follows:

"Section 19. Nothing in this act shall preclude an insurance company authorized to do an accident and health insurance business in this state from performing marketing, enrollment, administration and other functions and from providing hospitalization insurance, including but not limited to emergency and out of area benefits, in conjunction with a plan providing health care to subscribers under existing provisions of the general statutes."

SENATOR PAC:

Mr. President, I move adoption of the amendment. This amendment would just permit insurance companies to continue the medical plans that are permitted currently, under our present laws. I move adoption.

THE CHAIR:

The question is on adoption of the amendment. Will you remark further? If not, all those in favor signify by saying, "aye". Opposed, "nay". The amendment is adopted and declared technical. Senator Pac, you may remark on the bill, as amended.

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SENATOR PAC:

Mr. President, I move passage as amended. I have a few pages here, that

THE CHAIR:

I move you dispense with the reading of the pages. Oh, I can't make motions, I'm sorry.

SENATOR PAC:

And besides, the issue is not as violent or abrasive as it was two years ago. What this bill will really do is, permit the establishment of <sup>(pre)</sup> free paid health care centers and this kind of a structure would be set up as non-profit non-stock corporation, which for a fee would provide medical service, acute, diagnostic, preventive services. It would embrace all the healing <sup>(arts)</sup> guards that we presently have in all of our statutes. And I move its passage.

THE CHAIR:

Question is on passage of the bill, as amended. Will you remark further? If not, all those in favor of passage of the bill, signify by saying, "aye". Opposed, "nay". The ayes have it; the bill is passed.

SENATOR CALDWELL:

Mr. President, may the next item be passed, retaining, namely Cal. No. 737.

THE CHAIR:

So-ordered, there being no objection.

CAL. NO. 755. Favorable report of the joint committee on Finance. Substitute House Bill 8761. An Act Concerning Tax Relief for Elderly Persons Whose Property is Held in Trust.

SENATOR CUTILLO"

Mr. President, I move acceptance of the joint committee's favorable re-

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STANDING  
COMMITTEE  
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**1971**

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Norman Zolot, representing the Connecticut State Labor Council AFL-CIO: I am here today in connection with House Bill 6294. I should say at the outset that there are two other bills dealing with the same subject matter before this committee which are not listed for hearing. They are Senate Bill 1226 and 5486.

The basic difference between the bill before this committee and the two bills to which I've just referred lies in the fact that the bill before the committee today in effect permits insurance companies to participate in the non-profit health care centers in an indirect fashion. That is, through the writing of policies through the sale of the program or through the administration of the program, or even if necessary through the handling of the claims procedure. The disadvantage of that particular approach is that if insurance carriers are permitted to participate in that manner, there's a serious question that, as to whether the health care center would qualify as a tax exempt organization under the present rulings of the Internal Revenue Code, section 501c3. And it's for that reason that S.B. 1226 and 5486 are given our support in greater detail than this particular bill.

As Dr. Cohen indicated, in 1967 when the concept of a non-profit, a health care center was first presented to the General Assembly, representatives of almost every branch of the healing arts came before this committee in effect stating that the doctors' offices would be closed, that the impact of this type of program would be as it was in West Virginia and Kentucky, that all of the patients would go to the health care centers and the ethical doctors would be without employment and would retreat. In 1967 we said to this committee, that's nonsense. And we say in 1971, it is still nonsense. The fact of the matter is that the requirement for medical care is still outstripping the supply of available doctors. And the basic problem in our society today is to be able to deliver adequate medical care, adequate dental care, to the people at prices they can afford, when they need it. We have not solved that problem. And as you know, President Nixon last month has proposed a National Health Insurance program designed to meet some of these problems.

The essence of this particular bill before this committee, and the two related bills, is merely to encourage the establishment of group practices under which a person who joins in the plan is assured that he secures medical health care, dental health care, and any other type of care that is required for his health, mental and physical well-being, in one place, from a team of doctors, dentists, chiropractors and other members of the healing art.

The basic limitation on the scope of the service is the amount of money that would be available. Ideally we should provide unlimited psychiatric care. Ideally we should provide the best in dental care. Ideally we should provide for convalescent care under direct supervision. But economic realities are such that we can't do it. And the result is that what a group endeavors to do is to provide the best services available within the budget. Now that's the basic goal.

In connection with the 1960 legislation, as you know, there was established a community health care center plan in New Haven. That plan, as one of the previous speakers indicated, has not been functional. And I think you might want to know why. The basic reason is that the original concept of securing public funds in adequate measure was not fulfilled. Because it was a unique relationship which we were trying to establish, it was anticipated that we would receive governmental assistance, assistance from various private foundations and the like, so that when the program started, the amount received from the subscriber or member would, in effect, pay for the cost of the program and not for the bricks and mortar. Well, it has taken us two years, two and a half years really, to secure the adequate financing. And financing was secured as a result of contributions from the Ford Foundation, from a mortgage given by the Equitable Life Assurance Corporation - Life Assurance Society, for permanent financing, and the New Haven Savings Bank and the Second National Bank of New Haven. In addition to that, labor unions have made direct dollar contributions to keep the program going. And we have received various contributions from people interested in the field. The contract for building has been let, and it is anticipated that the program will be functional by July.

In connection with this program, because if the medical and dental aspects are controlled by doctors, not by a lay board. A chief of staff has been appointed, an eminent physician in New Haven, and he is responsible for recruiting a balanced staff who will serve full time. And in addition to that, to make available people in the specialty field as consultants. My recollection is that the staff consists of two internists, two pediatricians - a pediatrician, two gynecologists, two men, and a dentist on the initial stages.

The insurance contract, which is another cumbersome device, which has to be approved by the Insurance Commissioner, has been submitted to the Insurance Commissioner, and has been approved by him. Now you will recall that in the 1960 legislation, one of the rules was that the individual had the

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option of deciding whether or not he would be covered by the group plan or not. That option of course is made part of the contract. I should like to - that's been our experience to date. It's anticipated that the program will be underway fairly swiftly once the building is finished and that enrollment should start increasing so that at the end of five years there will be 30,000 people serviced. That means not 30,000 families but 30,000 people - husband, wife and children. There is to be outpatient care in the sense that we have committed ourselves to provide home services to our members in the service area. With respect to dental, because dental is a very expensive process and involves so many optional procedures. The procedure that could be given to a person who is a movie actor where you could send him into a hospital and perhaps extract all of his teeth and put in platinum bridges and implants and transplants of course is one way of treating a bad set of dentures. There are other ways. And of course all ways are within the discretion of the dentist. Because it has been estimated to be an expensive program, the element of the dental work is still unclear in our plan. It is, however, there that there will be an (all) oral examination of every member to determine the condition of his mouth and his teeth. And it is hoped that children under twelve will be given treatment as part of the plan's program. The adults or people over twelve is still in a state of flux. There are several options. It depends upon what kind of program we will be able to secure financing for as an experimental basis.

And in that connection I notice that before this committee there is H.B. 6128 which will permit the dental society to control, it's not before the hearing today, gentlemen, ladies, it was before your committee on February 18th, I was not here. But that bill would permit the dental society to control group dental plans in their presentation to the public and we would submit that we'd like to go on record now as being opposed to that bill. The fact of the matter is that although the American Dental Association has been advocating group dental plans, there has been none forthcoming in this state. And it appears that we need a pilot program to show to the satisfaction of dentists, that group dental practice is desirable, economical, and if I may say so, even profitable, to the practitioners.

I think I should also refer to this committee a very interesting change in attitudes, as far as I've been able to ascertain, and this is only a personal observation, that the attitude of the doctors in the Greater New Haven area seems to be that as a result I think primarily of your authorizing our

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community health care center, that the time has come to reconsider the traditional one man, partnership specialty practice and to develop in their own group practices, and I understand that there are several discussions among various groups of physicians in New Haven who are taking a serious look at the development of a general group practice. You may know that we have developed, in New Haven at least, group practices of specialists. You can go to a group of neurologists: and you don't know which of the three or four members of the group will serve you at the time. And the same way with CBS or pediatricians. That's designed for the convenience of the doctors and also it serves to give the patient different viewpoints dealing with the same patient. I think it improves the delivery of medical service in those specialties greatly.

Now the next step of course is to take it from the specialty and treat the individual as a whole rather than treat him as a carburetor, a tire, or one of the other pieces of the body.

I perhaps spent a little too much time telling you of the background or what has happened in New Haven, but I think that the committee, because it was so instrumental in making it possible, should get what I consider to be an interim report.

I would like now if I may to take about two minutes of your time to respond to one of the previous speakers concerning this particular bill who rose to oppose it. First of all I find it a little distasteful that an individual who is a member of the, who is a secretary of a state old body should also be the lobbyist for the same body. I think it raises some fairly ethical questions as to whether or not he can serve the public interest at the same time he is serving the interests of his profession. I'm not saying that they are irreconcilable but I do say that one should be able to clearly distinguish which hat one is wearing at the time one speaks. In the first place, the suggestion was made that this plan, a plan of this type would be accepted to the dentists if it were in connection with a hospital. Well any member of this committee knows that every hospital today has an outpatient clinic, that the outpatient clinic, theoretically at least, could offer the same type of service. So what is to be gained by the establishment of a group in connection with a hospital. The reason we want a community health care center independent was to take away the feeling that the members have that they are charity cases or that they're guinea pigs. A direct connection, control by the hospital, seems to me would just defeat that purpose totally. Secondly there was a complaint made that this could be abused, that any people, any persons can get together and form a health corporation. The answer is that the composition of the Board of Directors would preclude that kind

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of arrangement because it must be made up of general public members. It must be made up of professional members. And it must be made up of subscribers. And under all three bills, the professional element only has one third interest. Thirdly, there's reference made to the fact that the practice of the art should be governed by the practitioners themselves. It's like saying to paraphrase the old saying, the watchman will be watching the watchman, but who's going to protect the public? The truth of the matter is, as a recent book by a dentist who refused to reveal his name, it's entitled Paul Revere, it is that there is no way for a layman like myself to ascertain whether or not we are receiving good quality dentistry. There is no examination requirement after the initial examination imposed upon a dentist. There is no re-examination. Since I represent a group of approximately 15,000 teamsters who have a dental program, I think I could say that the quality of dentistry varies considerably amongst dentists. Some do excellent work, as you would expect. Some do very poorly. They all get paid the same amount of money. And the patient doesn't know the difference. I would agree that if there were re-examinations, if there were a requirement that standards must be adhered to and that the practitioner must abide by those standards, that perhaps one could rely upon the professions controlling their standards. But unfortunately, the evidence seems to be that once you have gained your shingle, your right to practice, no one, no one within the profession is going to really challenge your authority or your ability. So that, for example, the question as to whether or not a tooth should be filled or extracted, which is a very delicate question, involves a great deal of professional judgment, I say should be determined not on the basis of the patient's economics but upon what is best for him in the long run. Well, many dentists and many other practitioners do not follow that creed.

Well, our idea is, is to say to the professional man on the staff, look. We are providing our members with x services. You as the professional provider are responsible to giving him the best that you can that you have. We cannot interfere with your professional judgment. This is what the General Assembly said in 1967. This is the rule that we follow. We do not propose to interfere with that professional judgment, but we do recognize that we can only provide a limited scope of services and within that range we expect whoever is the professional to do so and to have the responsibility for it. Because you will note in the 1967 legislation and these bills that the individual is responsible for his own work.

Now I will only say one thing more. The President has indicated that the proposed health insurance bill will foster the

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development of group practices. We are hopeful that that bill, coupled with any of the three bills you have in front of you, will serve to stimulate the development of group practices within our state so that people can secure first class medicine within their means, without being charity cases. Thank you.

Sen. Pac: Any questions?

Rep. LaRosa: I have several questions in regards to this program. First question is, would this eliminate, would your subscribers have to subscribe to plan number one which would give them treatment in a facility such as a health care center; plan number two which would, they would have to have a special policy to take care of their in hospital benefits for daily hospital benefit in additional services which are rendered for that type of an illness; plan number three, would it take care of major medical expenses? And of course then you have three different types of subscribers. How would this be handled?

Mr. Zolot: No. The single program covering hospitalization, surgical, routine check-ups, laboratory tests and the like, is (not clear) a combination of what you call a basic and major medical rolled into one. There is however, and I think you recognize this, no income maintenance provisions in this. That would have to be provided for separately. That's for the group. For the individual who doesn't participate in the group fashion, the same rolled in program would be available, but there are perhaps two or three elements which are not the same.

Rep LaRosa: Second question is, Mr. Zolot, that do you have any idea right now, because I believe you stated that the premiums were approved or in the process of being approved by the Insurance Department, and what that premium structure would be and a husband-wife, which would be considered a family?

Mr. Zolot: I didn't anticipate being questioned about this. The answer is that the rates have been approved. They are available. And I'll be glad to send them to you. My recollection, and please do not hold me to it, is that it's a three step rate. \$17.84 I believe for the individual per month. Double that for husband and wife. And add another \$17 and some change for a family, regardless of the number of people in the family. That's our structure.

Rep. LaRosa: In other words it's \$17.84, \$17.84, \$17.84 when you have one child or ten children.

Mr. Zolot: Now those figures are approximate.

Sen. Pac: Would you furnish a schedule of the -

Mr. Zolot: Sure.

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Rep. LaRosa: Mr. Zolot, would this then, what are we doing that we actually would be creating another form of non-profit organization such as the Connecticut Medical Service, the Connecticut Blue Cross, and now we would have the comprehensive medical center which, I think that the legislature is developing competition within its own non-profit organizations, animals that is has created in the past.

Mr. Zolot: Well, I'm surprised, Rep. LaRosa, your memory is so short. In 1967 you will recall that one of the reasons advanced for the community health care center was the inadequacy of the Blue Cross and CMS programs because they were of a limited scope. And that was the reason why we were using the establishment of a comprehensive plan which would, roll in into one source all of these elements as well as provide things which neither one individually provided, namely, preventative medicine, annual care. Secondly, there is competition to some degree, not only between the non-profit organizations here which may be involved which you've named, but also in the choice as to whether or not you would use this approach or whether you would take an indemnity kind of approach which any one of the carriers may offer. Or a third approach which is that you provide through a house physician or company doctor health care directly through the so-called industrial health centers which are now authorized by the General Assembly. So we do have competition. I think competition is good because it means, I hope, two things. One, performance will improve. And two, it may result in a reduction in costs.

Rep. LaRosa: Well, I realize my memory is short, but on the other hand my memory is not so short in the fact that in 1967 and in 1969 I am not against the concept of health care centers, let me get through, but secondly, I think that my position is that I would like to see the results of the health care center in New Haven. I'd like to see the premium structure. I'd like to see the acceptance before we go out and have more health care centers and before you know it we have four of them and not one of them working right. I feel that '67-'69-'71, I believe that Bridgeport come in in the last session looking for health care center. Other towns want health care centers. But I feel that this yet I hope works. And I'm the first one that will support additional health care centers. But I'd like to see all the facets covered within this health center that we presently have in New Haven which, is it not anticipated all the problems they've encountered up until 1971.

Mr. Zolot: I was being facetious about your memory. I know it's good. No, I want to state for the record that you in '67 and since then have indicated an interest and support of the health care center. But let me tell you what the problem is with your position as I see it. We have taken in New Haven three and a half years to get where we are today. That indicates to

me a lead time required for any group of this kind of at least two years. And I think without this type of legislation, anybody that's interested in going in the field, would be held back for a two year period. And it's that kind of problem that I think is involved in this plan. I agree with you that we should have a track record, but the circumstances are such that we don't have a track record. Let me tell you what I think the track record will show. I think it will show, one, whether or not the scope of the services rendered meet the demands of the patients, whether there should be an adjustment or re-emphasis or shifting of emphasis on the various services to be offered. And two, whether or not we can within the monies received from the subscribers provide the services demanded or whether it's going to be necessary from here to eternity to rely upon a governmental crutch for the support of what we call first class medicine. And three, the (not clear) there can be a revival of what I call personal medicine, which is the old family doctor coming in the door when you're calling him and not being told, well, take an aspirin and come in tomorrow morning. I think these are the important results that the program will show but I also have to be candid in saying it'll take five years before we can say with any candor these are the conclusions.

Sen. Pac: Any other questions?

Sen. Gunther: I think in '67 we sat up here and we had a most optimal situation according to what was presented. We were going to have subsidies. We were going to have a lot of input. Now I'd like to know briefly now that we have had this experience for four years, what is this legislation here if passed going to do to get us these group practice centers set up and I know you just got through saying that it's going to take at least two years. I've heard anywhere from five to seven years and our study on the health care and that, but why now with this bill will we now have a blossoming out of all these health centers all over the major cities in Conn. when you're now having, you'll have to take and go to these places to get the same funding that you've gone to but this one you're talking about and taking four and a half years.

Mr. Zolot: Well, Doctor, fortunately the situation has changed somewhat in funding. First of all, Hill-Burton now is going to make available funds for group practice facilities which was not true in 1967. We're now waiting for an allocation to the state. Secondly, the labor organizations whom I represent have become more and more concerned about the problem of health care for their members. And they are desirous of having health care centers established within their areas. Bridgeport is one. Hartford is another. There's been some talk, not very much of it, in Norwalk. And, as I said, it takes

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that lead time of at least two years to get the thing rolling. In view of the Hill-Burton change, in view of the fact that the Nixon health insurance program is going to make money available to support group health practices, it seemed to us that this is a propitious time to again ask the General Assembly for a general bill. And I want to emphasize one thing. We are not saying that laymen know what is medically best for the patient. That's a doctor's job or a dentist's job or chiropractors or neuropractitioner or anybody else who is - I got it in then - but we're not saying we know what the treatment in but we are saying, look, we know that an individual, a human being, is entitled to be treated as a whole and not to be segmentized as he has.

Sen. Gunther: I don't disagree with the philosophy. The idea is, again most of the things you're talking about are still in the nebulous stage. We do not have definite proposals that are going to bring in any great money right this moment. They're all nebulous. They have not been approved yet.

Mr. Zolot: Hill-Burton is, is here. Mills has indicated he will report a bill out which means we will have money this year.

Sen. Pac: Any other questions?

Sen Gunther: One other question. And a quickie. We could be included and I think the previous speaker that objected to this was complaining about the professional policy making, I can say that one fourth of the board being of the professional people were one of the areas I worked on on the last bill in '67.

Mr. Zolot: That's right.

Sen. Gunther: The only thing, I'm a little disappointed in the way it was implemented in New Haven because when we had them in before us during the health care study, I find out that at least seven or nine, wouldn't it be a quarter - thirty-two members for the - what was the full Board of Directors?

Mr. Zolot: We have never had a full Board of Directors 'cause we've had no community representatives. We have had on the Board, to my recollection, please don't hold me to it, is a nurse, a, a dentist, and two doctors. We were looking - when the membership is to be expanded, we were looking for other professionals. And you'll notice there's been, by the way there's been the change here. The definition healing art in this bill is different than the definition of healing art in the 1967 legislation to make sure we can include you.

Sen. Gunther: This is where I want, I'd like to argue with you. The healing arts themselves, and just what you said, having two nurses, a dentist, are not of the healing arts.

Mr. Zolot: I agree.

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Sen. Gunther: Except I don't like the sound of the (not clear).

Mr. Zolot: No, you're right. And that's why we changed the bill because the healing art is defined by statute as the MD surgical only. And that's why this year, if you look at the first section, the definition of healing art, it's by reference to the sections, section, well, let's see. It's in at least bill, Senate Bill 1226. I'm looking now here in the bill before this committee.

Rep. LaRosa: (not clear) 372 (not clear).

Mr. Zolot: That's one. Yeah. We changed it because I found that.

Rep. Clarke, Stamford: I was more or less opposed to this in 1967. I was very skeptical of it. I have come along since then feeling that this might be a very good thing and so I'm also disappointed that it hasn't progressed further. Now isn't it true that this is just for union members? This particular -?

Mr. Zolot: No. It is not true. It is designed originally to take in groups, whether they're union or non-union, and then it's designed-

Rep. Clarke: Didn't it start out that way?

Mr. Zolot: Yes. It was started out as being urged by unions and the last report I saw indicated that unions out of their treasuries or through their related funds had contributed, I believe, about \$50,000, give or take some money, toward getting the program through the, its initial stage. I think the exact figure is \$46,000. And they would be, of course, the initial subscribers.

Rep. Stroppolino: Hilda asked a question I was going to.

Sen. Pac: Any other questions?

Rep. Rose: Yes. I would like to just be sure that - certainly I'm not against the unions and I, I don't want to give that impression. But I do want to be sure that there is not any special advantage given to union members in such a program.

Mr. Zolot: No, there is not. Any group is available to participate, subsequently when it's available, individuals. And by the way, to date we have not made any special provision for the over 65. As Blue Cross and CMS has.

Rep. LaRosa: (not clear) different rate between the individual and the group members?

Mr. Zolot: Not because of administrative costs, but they change in the scope of the services.

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Rep. Cohen: I would think that, some are interested - how much does this cost the state?

Mr. Zolot: As far as I know, nothing.

Rep. Cohen: Well, I don't know what they're so concerned about.

Mr. Zolot: The only time it'd cost the state anything is if, and we hope that the Welfare Department will enroll some of the New Haven welfare recipients. We're particularly desirous to have them.

Rep. Miller, 156th: I just wanted to ask about your operations in New Haven. How will the community members of the Board be chosen?

Mr. Zolot: Well, the community members originally were named, as you may recall in the Special Act creating it, and since then a sub-committee of the, of the Board has been designated to contact community people, the mayor, political figures, educators and the like, to serve as the public members. At this point we have a representative from the Telephone Company, a representative from Winchesters, Mayor Lee's term has expired. Those are three that come to mind very quickly, There are others. The President of Sargent (?) Company is another member.

Rep. Miller: Thank you.

Sen. Pac: Any other questions?

Mr. Zolot: Thank you.

Sen. Pac: Thank you, Mr. Zolot. I think we've covered this subject as well as it possibly could be covered. Mrs. Ann Garber? Mrs. Ann Garber? Next, Victoria Peirs.

Mrs. Ann Garber: First I would like to apologize to the members of this committee for being late. Unfortunately I was trapped in my-

Sen. Pac: Would you wait a minute. I think that the (not clear - sound of ambulance).

Rep. Cohen: You're not late.

Mrs. Garber: Well, I was trapped in my parking space at school and couldn't get out. I believe that somebody was asked the cost, some figures, the cost of school health services. I do have some if, if I were, if whoever was interested would get it and have them.

This is primarily a money bill, I believe. Now, oh, my name is Ann T. Garber. I'm a nurse-teacher at Weaver High School in

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New Haven in 1967 - to such things as the number of people that are being benefitted and how satisfied they are with the plan. Or with the high quality of the services being rendered, the moderateness of the enrollment charges, and the cost economies that have been realized.

However, and unfortunately, the only publicly known accomplishments of the New Haven Health Care Plan, after nearly four years in being, are: the receipt of upwards of a million dollars in Federal tax dollars for planning and development, purchasing a site on which to construct a clinic building and making a start on the construction of said building. In short, neither the public nor the medical profession nor the members of the General Assembly have any factual basis on which to conclude that the New Haven Health Care Center has proven anything of consequence thus far to indicate whether such experimental plans will turn out to be smashing successes or colossal failures.

In 1967, the professional arguments of the Conn. State Medical Society in opposition to the passage of enabling legislation for this New Haven Health Plan were shouted down by its proponents as self-serving and inconsequential. There is no purpose to be served in repeating these objections at this occasion. However, with the financial crises that faces government at all levels, taxpayers at all levels, and being matters of grave public concern in 1971, it is the opinion of the Conn. State Medical Society that our legislators should insist on receiving and studying carefully the substantive accomplishments of the pilot Health Care Center Plan in New Haven before permitting the creation of additional plans, each of which would also turn to government for many millions of tax dollars for initial funding.

For these reasons, the Connecticut State Medical Society urges the Committee on Public Health and Safety to not report favorably on SB 1226, HB 5486, HB 7572 or any bills of similar intent, obviously until there are facts, there is factual information to indicate what good these plans will do. And we have nothing to go on at the present time from the New Haven Health Care Plan. And until such time as they are able to prove something, then we might and we should think about it possibly.

I would only make one further remark, if the Chairman would allow, H.B. 8345 (AN ACT CONCERNING THE ADVERTISING OF PRESCRIPTION DRUGS). This was addressed to, this general area was addressed to as the members of the Committee will possibly remember, about a week or two ago, when Room 419 was jammed. And it was asked at that time that the remarks that applied at that time to a similar bill, apply to this bill as well so that the Committee does not have to hear the same arguments. But I think at least, there is probably at least one, possibly

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to communities. As you know in our state for some years we have really concentrated on institutional care for the mentally ill despite the fact that most new theories have indicated that community based services are far more effective and far less expensive. The appropriation for the regional mental health councils has been drastically cut, which would not only mean that services would stay the same. They would also regress. And we would like to urge that these funds be restored. Thank you.

Rep. Cohen: Any questions? Thank you very much. James Hunt. Oh, follow Miss Matchko.

Madeline Matchko, Political Education Director for the Conn. State Labor Council, AFL-CIO: I'd like to speak in support of S.B. 1143.

Various sources of evidence over the past few years have conclusively indicated that our society has developed a crisis situation in the providing of adequate health manpower to meet our needs. This refers not only to doctors and nurses, but to the many para-professional and technical workers needed in hospitals, clinics, nursing homes, etc. These developments have lead to increasing concern about health manpower to meet not only preset, but future needs. This concern has resulted in the formation of an organization to deal comprehensively with this problem in a very unique effort.

The Conn. Institute for Health Manpower Resources, Inc., is a program designed to interest individuals in choosing and preparing for careers in health services. It is the intent of the Institute to deal directly with recruitment and education, to disseminate health manpower information and to effect a better coordination of all organizations and individuals in the health manpower field. Full time staffing is needed and this is what the \$25,000 appropriation will provide.

Responsible support has been obtained from all the major medical-related organizations, such as: The Conn. Medical Association, Conn. Hospital Association, etc.

The Conn. State Labor Council, AFL-CIO, realizing the needs in this area of health manpower endorses and urges support for this legislation.

Also Mr. Chairman I'd like to go in support of two bills through Norm Zolot, our attorney has extensively testified on, but I would just like to go on record in support of S.B. 1226 and H.B. 5486 related to health centers. Thank you.

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Rep. Cohen: Any questions of the speaker? Thank you very much. Mr. Hunt and then Mr. Tilson.

James Hunt, representing the Health Insurance side of Aetna Life and Casualty: Aetna Life supports the purposes embodied in H.B. 1226 and 5486, but prefers certain provisions in an otherwise identical bill, 6294. Each of these bills - An Act concerning non-profit health care centers, each bill provides enabling legislation for the creation of additional centers often known as pre-paid group practice plans or health maintenance organizations. And I shall use the term HMO in my remarks. Extension of those beyond New Haven, although Aetna has no relationship to the community health center plan in New Haven, we do believe the formation of these plans is a healthy development and should be encouraged.

Mr. Chairman I have some remarks which I'll skip over in which I've tried to develop the rationale, the built in financial incentives which these plans have. Dr. Cohen spoke earlier of the Kaiser Plan and so I shall skip these and say that in considering each of these bills, we think it important that the Committee not preclude the development of HMOs, non-profit health care centers, which may have the same built in advantages as the Kaiser Plan or the Yale Plan yet to be, but which may differ somewhat from it, especially we think it absolutely critical to such legislation that these HMOs not be prevented from contracting with health insurers for those services which health insurers are equipped to provide. Let me give you an example, briefly. A group of doctors, a medical clinic already in existence, might wish to form its own HMO. I might add the Aetna is working, not in Connecticut but elsewhere with this medical clinic in this regard. The logical way for this group of doctors to proceed would be for a non-profit corporation to be formed which we might call the Plan. Such a Plan would not necessarily be controlled by the doctors. The Plan would then contract with the group of doctors for all medical services offered by the Plan, with the exception of out-of-area and emergency services which the Plan could not render. The medical group would agree to be paid not on a fee for each service performed basis, but rather on a contract price basis under which they would have to provide all of the services needed during the year under such an arrangement and can be seen at the doctors would have an incentive to keep people well since repeated trips back to the doctor's office during the year would be accompanied by no extra compensation.

The Plan might then contract for all other necessary services or some other necessary services with a health insurer. It would not be essential for the Plan to do this, but if the medical group were not willing to assume additional risks

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with respect to the development of the Plan, someone else could. Let me mention briefly some of these services: Marketing services - selling the plan; administrative services - keeping records, billing subscribers, providing actuarial services to price the plan etc.; and also risk-taking services - perhaps providing hospital insurance in conjunction with the plan, insuring the risk that subscribers might need services outside the plan area and relieving the plan itself from having to deal with doctors and others around the country.

The bills as I read them with the exception of 6294 would prevent such a plan from, for example, contracting with the Aetna or another company to take care of the plan subscribers who need medical services around the country or indeed around the world. We think the bill should not prohibit such permissive contracts on the part of the plan itself.

Let me conclude by saying that it is not our interest necessarily to run such plans, but I wish the Committee to realize that under the bills as I read them, plans would be prevented from contracting for a lot of services in which we have expertise. Thank you very much.

Sen. Pac: Any question? Thank you, sir. John Q. Tilson. And the Rev. Ensign next.

John Q. Tilson, speaking as counsel for the Conn. Hospital Association on a number of the bills that you have before you this morning: First, 1143, the Hospital Association supports this bill. You've just heard from your representative of State Labor Council urging the grant of \$25,000 to the Conn. Institute for Health Manpower Resources. The Hospital Association agrees that this agency is in need of the support and strongly hopes that your Committee will see fit to see that this appropriation is adopted.

The second group of bills deal with the subject of physician's assistants, about which you heard a good deal of testimony this morning. The Hospital Association supports the concept of the physician assistant. We would be very unhappy with a law which applied rigid standards or which required licensing of this group of people. We think that, as an earlier speaker has said, that now is a good time for there to be a moratorium on licensing of health personnel. On the other hand we do feel that the physician assistant concept has substantial value and that we ought to be permitted to experiment with it. And our feeling is that the two bills which are before you today, 1224 is the preferable bill. It's short. It's flexible. And we feel that it will give this program a chance to prove itself over the next two years. Then if we need more stringent requirements either of inclusion or exclusion, the Assembly can consider it two years from now.

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But we do think that the concept is a good one, that these people can perform a valuable function and we think that the flexible li, the flexible provisions of 1224 are desirable.

Thirdly, speaking on the two bills, 1226 and 5486 concerning non-profit health care centers. The Conn. Hospital Association strongly supports the concept of this type of legislation. We appeared in favor of a similar bill which was heard by your Committee a week or so ago. We take no position on the details of the two bills today or the bill that you had last week except to say that, as Mr. Spaulding spoke earlier today, we see no reason why there should be a specific requirement that a quarter of the Board consist of members of the healing arts. We think that if you're going to start spelling who should be in the, on the boards and in what percentages, then there perhaps should be hospital representatives and other kind of representatives. So we feel that that's something that could be well left to the good judgment of the persons forming these centers. But on the general concept we are strongly in favor of it. We do not think that you should wait until the New Haven institution is fully operative and we feel that it already shows promise and that it would be very unfortunate to postpone enactment of this type of legislation until we have had an opportunity to see what happens in New Haven. It has taken four years to perform the necessary planning there and I would think it would be disastrous to require a further postponement of adopting of new health care center concepts. I think that your committee must be aware of the fact that there is legislation being contemplated in Washington that will deal with the general subject of the delivery of health care. The American Hospital Association has suggested legislation of this type, and we think that anything that's adopted in Conn. should be flexible enough to be tied in with the Federal legislation which seems bound to come.

And lastly on Dr. Cohen's bill, 8615. He spoke to me earlier today and said, I suppose you're opposing this. And I said, no, Doctor. We have no reason to oppose 8615. We are perfectly happy to cooperate in making available whatever information is required. We would however suggest that a new commission set up just to accomplish the limited purposes of this bill would not be warranted. The Council on Hospitals would seem to be the ideal organization to consider this matter. And if not the Council on Hospitals, then perhaps an interim committee of your own Public Health and Safety Committee. We don't think that a separate commission filled with various legislators is necessary under the circumstances. Either you could do it or the Council on Hospitals could do it. But if you do do it, we'll be glad to cooperate with you.

Sen. Pac: Thank you, sir. Rev. Ensign. Mr. William Rosenblatt next. Mrs. Dorothy Greist after that.