



**TESTIMONY OF
THE CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO
THE CERTIFICATE OF NEED TASKFORCE
THURSDAY, DECEMBER 15, 2016**

The Connecticut Hospital Association (CHA) appreciates this opportunity to present comments on the draft recommendations of the Certificate of Need (CON) Taskforce.

As the healthcare system undergoes significant transformation, hospitals continue to be focused on the health and well-being of every Connecticut citizen. The goals of this transformation are improved access to care, improved quality and safety, and reduced cost. The CON program plays an important role in achieving these goals.

CON safeguards the public's need for access to high quality health services, prevents unnecessary duplication of services, and sets a level playing field for deployment of healthcare resources in a financially responsible way.

Before commenting on the specific proposals as outlined in the December 5, 2016 document, it is important to emphasize several key principles that we urge the Taskforce to address as it considers changes to the CON program.

- The CON program must not discriminate against any specific type of provider or entity and must treat all providers and entities equally.
- The CON program must strive to ensure that all providers treat underserved populations, Medicaid recipients, and indigent persons.
- The CON program is not the regulatory vehicle to be used to analyze and investigate the cost of healthcare. The Lt. Governor's Healthcare Cabinet is the appropriate group to develop recommendations with respect to the cost of healthcare.

With respect to the specific proposals:

Actions Subject to Certificate of Need

Acquiring Equipment

- The CON program should maintain a review of all scanners, new technology, and non-hospital-based linear accelerators.

- The CON program should be modified to create an expedited procedure both in process and timeline for the review of the acquisition of new imaging equipment.
- The CON program should clarify that the current exemption applies to the replacement of equipment previously acquired through the CON process, including any scanner currently in operation that will be replaced by any other type of scanner.
- The CON program should expand the current exemption applied to the replacement of scanners to all equipment previously approved through CON, with notice to the Office of Health Care Access (OHCA).

Initiating Services/Increasing Capacity

- The CON program should maintain review of (1) New Hospitals; (2) New Specialty Hospitals; (3) New Freestanding Emergency Departments; (4) New Outpatient Surgical Facilities; (5) New cardiac services; and add (6) required review of two or more operating rooms in a three-year period.

Terminating Services

- The CON program should review terminations of (1) Hospital Emergency Departments; (2) Select hospital Inpatient Services; and (3) Hospital Mental Health/Substance Abuse Services.
- With respect to the termination of hospital outpatient services, the CON program should be modified to allow for the termination of certain outpatient services without CON review, such as physical or occupational therapy, sleep labs, diagnostic services, and/or multiple locations.
- The CON program should also review the termination of mental health/substance abuse services being proposed by entities other than hospitals.

Reduction of Services

- The CON program should not be modified to require CON review for the reduction of services.

Relocation of Services

- The CON program should allow the relocation of services within a reasonable geographic area without a CON review but with notice to OHCA.
- The CON program should allow for the relocation of services to an area with unmet needs through a state health planning process without a CON review but with notice to OHCA.

Transfer of Ownership

- The CON program should not have an inherent bias against any type of provider. It must treat all providers equally, and require the review of the transfer of ownership of a healthcare facility or certain large practices by any acquirer (e.g., a hospital, a hospital system, insurer, investor, and any other entity seeking to acquire ownership or control of such healthcare facility or certain large group practice.)

Conversions

- The CON program should maintain its current requirements for hospital conversions.

CON Application Review Criteria (OHCA CON Guidelines and Principles)

Application Criteria for Acquiring Equipment

- The first application criteria should be modified to assess whether the proposed project will serve Medicaid patients.

Application for Reducing or Terminating Services

- The CON program should not be modified to require CON review for the reduction of services.

CON Decision-Making Process

Organization: Who Reviews Applications, Renders Decisions, and Provides Public Input – Opportunities for Consumer Participation in the CON Process

- With respect to the Subject Matter Experts Panel, the proposal needs to be more specific to ensure that the panel members are serving as consultants or advisors, and that their comments are advisory only. The proposal needs to be more specific as to how the expert for a specific application will be selected and clarify that the panel comprises a list of approved persons from whom OHCA may choose to seek expert advice, but that OHCA is not required to do so.
- The proposal should be modified to allow the applicant, upon request, to have input into the selection of the expert and to comment on the expert's review.

Appeals Process: Mechanism through Which the Public Can Appeal a CON Decision

- The CON program should not be modified to allow intervenors to appeal a CON decision. This would be a significant departure from the existing administrative process and may be legally problematic.
- The CON program should not be modified to allow the public at large to appeal a CON decision. This would be a significant departure from the existing administrative process and may be legally problematic.

Transparency: Methods of Informing the Public about Pending Applications and Consumer Access to Information

- The proposal would require the applicant to state that it has made reasonable efforts to expand public notification. The proposal should be modified to indicate there will be no adverse impact on the applicant if the applicant is not able to carry out the expanded notification due to factors beyond its control (e.g., Town hall won't allow copies to be placed at a site or removes them).

CON Application Process

- The proposal for creating an expedited process should expand to cover the acquisition of imaging equipment.
- The proposal for creating an expedited process should expand to cover mental health and substance abuse facilities if they commit to serving Medicaid and other underserved populations.
- The proposal should be modified to require that all applications for terminations be handled through an expedited process of no more than 60 days.
- The CON program should be modified to provide that if an application is not acted upon timely, within the statutory time frames, it will be deemed approved (this feature was part of prior iterations of the CON process).

CON Post-Approval Compliance Mechanism

- With respect to proposal 1, “willful” should not be removed from CGS 19a-653 (a) – lowering the threshold would unfairly punish healthcare facilities that are acting in good faith to comply.

CON Evaluation Methods

- The CON program should be expanded to allow OHCA the ability to consider the quality of services, provided such review is based on generally accepted, nationally recognized clinical best practices and guidelines.

We look forward to working with the Lieutenant Governor and members of the Taskforce.

Thank you for consideration of our position.