



**Testimony Before the Public Health Committee on  
Senate Bill No. 980 (Raised) "An Act Concerning Certificates of Need"**

**February 27, 2009**

Senator Harris, Representative Ritter and members of the Public Health Committee, I appreciate the opportunity to speak before you regarding "S.B. No. 980 (Raised) An Act Concerning Certificates of Need."

My name is Tony Del Mastro. I am the Chief Executive Office of The Children's Center of Hamden. I am a member and past president of The Children's League of Connecticut. Our member agencies offer a wide array of the continuum of services to children in need and their families. Although not an exhausted list, they include In-Home Support, Outpatient Therapy, After School Clinical Programming, Foster Care, Group Homes, Safe Homes, Substance Abuse Treatment, Residential Treatment and Psychiatric Residential Treatment facilities (PRTF). All of our members maintain national accreditation.

I am here to request your consideration of language that would amend Connecticut General Statutes, 19a-630. Clearly the Certificate of Need process overseen by the Office of Health Care Access is critical for the management of availability of medical services that may be directly accessed by the consumer in terms of expansion or contraction of services. However, that is not the case with most programs licensed by the Department of Children and Families. For reasons that I will describe in a moment, we request that language be added to Section 19a-639a, Certificate of Need, Exemptions, that includes as exempt from the CON process:

- "Programs that are licensed by the Department of Children and Families excluding Psychiatric Residential Treatment Facilities as defined in 42CFR 483.352."

I am sure that you are aware of the significant changes in programs available to children in need; increasing availability and reliance on an intensive community based services, and a significant decrease in reliance on out-of-home congregate care placements; most specifically Residential Treatment. Much of this is related to the Juan F consent decree.

Providers of Residential Treatment care have experienced continuous decline, sometimes abruptly, of DCF's use of that level of care within their organizations. This is part of the State's plan as evidenced by the creation of the Behavioral Health Partnership in 2005, which includes in its goals "reduction in the unnecessary use of institutional and residential services for children."

It is clear from materials provided by DCF on February 18, 2009 as part of their testimony to the legislature that the use of congregate care, specifically Residential Treatment will decline. I quote from their Issue Brief that was part of the aforementioned documents. Under the section entitled RESIDENTIAL REDUCTION they say;

- "Expect that downward pressure on residential census will continue"
- "Critical questions remain regarding the size of the system"
- "We expect the average length of stay to continue to decline, and that will put additional pressure on in-state residential providers."

Data included in their packet show that the percentage of DCF involved children placed in Residential Treatment has decreased from 14.7% in the third quarter of 2004 to 10.4% in the last quarter of 2008. A chart in their packet shows a decline of in-state residential census from approximately 700 youngsters in 2004 to 416, I believe at the time of their report. The later represents a 40% decrease.

I want to point out to you the underlying reason for asking your consideration of the suggested language. Licensed bed capacity for congregate care programs, Residential Treatment specifically, has for decades flexed in response to DCF's need and a provider's capacity and ability with regards to the service. As private Residential Treatment providers struggled with the serious financial consequences of declining use of this service by downsizing and seeking a formal reduction of their licensed bed capacity, the initial DCF response was the suggestion that these services were to go through the CON process. As CON was never raised in the past our members began to consider seeking statutory clarity that was consistent with historical experience.

As the number of clients and the level of service associated with DCF licensed programs is controlled by the State of Connecticut, requiring a private provider to go through any form of the CON process is unnecessary and greatly impedes the ability of the system in general, and provider specifically, to maintain flexibility in the face of rapidly changing utilization needs. Further, it can have the effect of crippling a private provider by requiring that the provider maintain the staff and the physical plant that would be appropriate for full utilization in some cases drops to 75% of licensed bed occupancy.

I thank you for this opportunity and will be happy to try to answer any questions that you may have.