



**TESTIMONY OF
Lawrence & Memorial Hospital
SUBMITTED TO THE
PUBLIC HEALTH COMMITTEE
Wednesday, February 9, 2011**

**HB 5048, An Act Requiring Certificate Of Need Approval For
The Termination Of Inpatient And Outpatient Services By A Hospital**

Lawrence & Memorial Hospital appreciates the opportunity to submit testimony concerning **HB 5048, An Act Requiring Certificate Of Need Approval For The Termination Of Inpatient And Outpatient Services By A Hospital**. Lawrence & Memorial Hospital opposes this bill.

HB 5048 requires any hospital that seeks to terminate inpatient or outpatient services currently offered by the hospital to file a certificate of need application with the Office of Health Care Access division of the Department of Public Health.

Lawrence & Memorial Hospital Rationale for Bill Opposition:

- HB 5048 would impose significant burdens on hospitals by reinstating the requirement that hospitals first obtain OHCA approval before terminating any service – not just identified essential services. Further, there is no such burden placed on non-hospital entities, which creates an unfair and un-level playing field that adversely affects hospitals and promotes the interest of other providers.
- If HB 5048 were to become law, hospitals (but no other providers) would be required to seek permission through an onerous application, review, and hearing process, in order to seek termination of any service.
- HB 5048 will not return us to the conditions that existed prior to the CON reforms implemented by Public Act 10-179.
- HB 5048 will create a new – and ultimately unsustainable – system in which hospitals, and only hospitals, will be forced to incur high legal and consulting costs to prepare CON applications. HB 5048 would place hospitals at an extreme disadvantage to other providers that are not subject to the same administrative and legal processes and delays. Connecticut hospitals are already faced with difficult financial challenges that are only projected to worsen in coming years. If enacted, HB 5048 would only add to hospitals' financial problems.

Lawrence & Memorial Hospital is a 280-bed acute care hospital located in New London, CT. The Hospital has 2,500 professional, technical, and support personnel and 350 medical staff physicians. Off-campus satellite facilities are located in New London, Groton, Mystic, Waterford, East Lyme, Stonington, and Old Saybrook.

Lawrence & Memorial Hospital serves approximately 180,000 residents along Connecticut's southeastern shoreline. The Hospital provides a broad range of diagnostic, emergency, therapeutic, and rehabilitative services. Specialty services include the region's only nationally certified stroke center, the region's only nationally accredited inpatient acute rehabilitation facility, Signature Rehabilitation Services in Waterford, East Lyme, and Groton, the region's only Neonatal Intensive Care Unit, Joslin Diabetes-affiliated centers, the Community Cancer Center, surgery, and occupational health services. Over 80,000 patients receive emergency department services at Lawrence & Memorial Hospital's two locations in New London and Groton, CT.

In FY 2009, Lawrence & Memorial Hospital provided nearly \$35 million in community benefits to southeastern Connecticut including \$17 million in subsidized health services or charity care to 15,000 people, \$15 million in unpaid costs of care for 22,000 Medicaid patients, \$3 million in education, outreach, and community building to 74,000 people, and \$1 million in health profession education and research to 3,000 people. Lawrence & Memorial Hospital's community benefit programs and services represented 12% of total revenues in FY 2009.