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**Testimony of
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**Submitted to the
PUBLIC HEALTH COMMITTEE
Wednesday, February 9, 2011**

**Oppose HB 5048: An Act Requiring Certificate of Need Approval for the
Termination of Inpatient and Outpatient Services by a Hospital**

We would like to take this opportunity to join the Connecticut Hospital Association and member hospitals from across the state in expressing our strong opposition to HB 5048, *An Act Requiring Certificate of Need Approval for the Termination of Inpatient and Outpatient Services by a Hospital*.

Eastern Connecticut Health Network (ECHN) is a not-for-profit community-based healthcare system that serves the residents of a 19-town area in eastern Connecticut. Our healthcare system includes Manchester Memorial Hospital; Rockville General Hospital; Woodlake at Tolland Rehabilitation and Nursing Center; John A. DeQuattro Cancer Center; Glastonbury Wellness Center; Women's Center for Wellness; and a series of community-based medical practices.

HB 5048 would require hospitals that seek to terminate any inpatient and outpatient services currently offered by the hospital to file a certificate of need (CON) application with the Department of Public Health's Office of Health Care Access (OHCA). The bill is unfair to Connecticut hospitals, unnecessarily creates an un-level playing field that favors non-hospital providers, and is duplicative of the responsibilities currently held by the not-for-profit hospital boards.

The bill reinstates the requirement that hospitals – and *only* hospitals – first obtain approval from OHCA before they can terminate any service. Unfortunately, if HB 5048 ultimately becomes law, only hospitals would be subject to this burdensome and costly application, review, and hearing process.

For example, if a Connecticut hospital decides that it needs to stop providing non-acute, primary care services and transitions these patients to another provider in a more appropriate setting, it would have to submit a CON application requesting approval to terminate this service under this bill. However, if non-hospital providers, such as for-profit, freestanding walk-in centers operated by physicians or groups of physicians, make the same determination, they would be able to do so without going through a similar process to secure state approval.

This bill returns only hospitals to the conditions that existed prior to the CON reforms implemented last year in which Connecticut had some of the most restrictive CON laws compared to other states still mandating the CON process after the National Health Planning and Resource Development Act of 1974's

repeal in 1987. Furthermore, reinstatement of such conservative CON regulations will fail to keep Connecticut in line with other states when it comes to applying for and being granted CON approval.

This bill is counterproductive to federal healthcare reform efforts to reduce costly utilization of healthcare services and minimize the unnecessary duplication of services that have contributed the uncontrollable growth in healthcare expenses. Consolidation of services and redistribution of services to more appropriate settings that result in lower costs while improving the quality of care need to happen more frequently as the delivery of healthcare is reformed. The CON reforms implemented last year foresaw the long-term impact of healthcare reform on our local delivery system and were recommended to enable a more agile response by providers to respond to these changes.

As you may know, ECHN recently closed its maternity unit, the Birthplace, at Rockville General Hospital. ECHN was faced with the departure of an obstetrician who was responsible for nearly 50 percent of the deliveries at the hospital. A work group comprised of ECHN physicians, administrators, staff, and trustees carefully considered several options and made its recommendations to the ECHN Board of Trustees.

The key considerations for the analysis were access to maternity services for residents of its communities and the ability to deliver the highest quality care. Ensuring patient access to care within our community is a primary responsibility of the ECHN Board, and the addition or termination of any service is not taken lightly. The decision was based on several factors. The presence of obstetricians in Vernon and surrounding communities and ECHN's plan to continue operating an outpatient clinic for underinsured women at Rockville General Hospital would adequately address the need for outpatient maternity care. Inpatient obstetrical services, on the other hand, could be easily accommodated at ECHN's other hospital, Manchester Memorial, which is only 10 miles from Vernon. The key determinant for the Board's decision came down to a concern for the quality of care. Over time, the low number of births at Rockville General Hospital would affect staff and physician competencies.

If we had been required to submit a CON application for this change in service delivery, we would have done so. We are confident that our CON would have been granted because the analysis that OHCA requires demonstrating that access to care would not be compromised had already been completed by the work group. Clearly, the CON application, review, and hearing process would have created unnecessary cost and duplicative efforts, and usurped the decision-making authority and responsibility of the hospital's Board to ensure the provision of continued community access to high-quality care.

Our recent experience and decision to terminate inpatient obstetrical services at Rockville General Hospital are the catalyst behind the proposal of HB 5048 this session. For the reasons stated above, it is unfair to all Connecticut hospitals to reinstate this level of CON control. We strongly oppose the bill as it is currently written.

Thank you for allowing ECHN and the state's hospital community the opportunity to express our concerns regarding this bill. If you have any questions or comments regarding our testimony, please feel free to contact me.



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Eastern Connecticut Health Network (ECHN)