



General Assembly

January Session, 2011

Committee Bill No. 5048

LCO No. 2412

02412HB05048PH_

Referred to Committee on Public Health

Introduced by:
(PH)

***AN ACT REQUIRING CERTIFICATE OF NEED APPROVAL FOR THE
TERMINATION OF INPATIENT AND OUTPATIENT SERVICES BY A
HOSPITAL.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 19a-638 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):
- 3 (a) A certificate of need issued by the office shall be required for:
- 4 (1) The establishment of a new health care facility;
- 5 (2) A transfer of ownership of a health care facility;
- 6 (3) The establishment of a free-standing emergency department;
- 7 (4) The termination of inpatient or outpatient services offered by a
8 hospital, including, but not limited to, the termination by a short-term
9 acute care general hospital or children's hospital of inpatient and
10 outpatient mental health and substance abuse services;
- 11 (5) The establishment of an outpatient surgical facility, as defined in
12 section 19a-493b, or as established by a short-term acute care general

13 hospital;

14 (6) The termination of an emergency department by a short-term
15 acute care general hospital;

16 (7) The establishment of cardiac services, including inpatient and
17 outpatient cardiac catheterization, interventional cardiology and
18 cardiovascular surgery;

19 (8) The acquisition of computed tomography scanners, magnetic
20 resonance imaging scanners, positron emission tomography scanners
21 or positron emission tomography-computed tomography scanners, by
22 any person, physician, provider, short-term acute care general hospital
23 or children's hospital;

24 (9) The acquisition of nonhospital based linear accelerators;

25 (10) An increase in the licensed bed capacity of a health care facility;

26 (11) The acquisition of equipment utilizing technology that has not
27 previously been utilized in the state; and

28 (12) An increase of two or more operating rooms within any three-
29 year period, commencing on and after October 1, 2010, by an
30 outpatient surgical facility, as defined in section 19a-493b, or by a
31 short-term acute care general hospital.

32 (b) A certificate of need shall not be required for:

33 (1) Health care facilities owned and operated by the federal
34 government;

35 (2) The establishment of offices by a licensed private practitioner,
36 whether for individual or group practice, except when a certificate of
37 need is required in accordance with the requirements of section 19a-
38 493b or [subdivisions (8) and] subdivision (8) or (9) of subsection (a) of
39 this section;

40 (3) A health care facility operated by a religious group that
41 exclusively relies upon spiritual means through prayer for healing;

42 (4) Residential care homes, nursing homes and rest homes, as
43 defined in subsection (c) of section 19a-490;

44 (5) An assisted living services agency, as defined in section 19a-490;

45 (6) Home health agencies, as defined in section 19a-490;

46 (7) Hospice services, as described in section 19a-122b;

47 (8) Outpatient rehabilitation facilities;

48 (9) Outpatient chronic dialysis services;

49 (10) Transplant services;

50 (11) Free clinics, as defined in section 19a-630;

51 (12) School-based health centers, community health centers, as
52 defined in section 19a-490a, not-for-profit outpatient clinics licensed in
53 accordance with the provisions of chapter 368v and federally qualified
54 health centers;

55 (13) A program licensed or funded by the Department of Children
56 and Families, provided such program is not a psychiatric residential
57 treatment facility;

58 (14) Any nonprofit facility, institution or provider that has a contract
59 with, or is certified or licensed to provide a service for, a state agency
60 or department for a service that would otherwise require a certificate
61 of need. The provisions of this subdivision shall not apply to a short-
62 term acute care general hospital or children's hospital, or a hospital or
63 other facility or institution operated by the state that provides services
64 that are eligible for reimbursement under Title XVIII or XIX of the
65 federal Social Security Act, 42 USC 301, as amended;

66 (15) A health care facility operated by a nonprofit educational
67 institution exclusively for students, faculty and staff of such institution
68 and their dependents;

69 (16) An outpatient clinic or program operated exclusively by or
70 contracted to be operated exclusively by a municipality, municipal
71 agency, municipal board of education or a health district, as described
72 in section 19a-241;

73 (17) A residential facility for [the mentally retarded] persons with
74 intellectual disability licensed pursuant to section 17a-227 and certified
75 to participate in the Title XIX Medicaid program as an intermediate
76 care facility for the mentally retarded;

77 (18) Replacement of existing imaging equipment if such equipment
78 was acquired through certificate of need approval or a certificate of
79 need determination, provided a health care facility, provider,
80 physician or person notifies the office of the date on which the
81 equipment is replaced and the disposition of the replaced equipment;

82 (19) Acquisition of cone-beam dental imaging equipment that is to
83 be used exclusively by a dentist licensed pursuant to chapter 379;

84 [(20) The termination of inpatient or outpatient services offered by a
85 hospital, except as provided in subdivision (4) of subsection (a) of this
86 section and section 19a-639e;]

87 [(21)] (20) The partial or total elimination of services provided by an
88 outpatient surgical facility, as defined in section 19a-493b, except as
89 provided in section 19a-639e; or

90 [(22)] (21) The termination of services for which the Department of
91 Public Health has requested the facility to relinquish its license.

92 (c) (1) Any person, health care facility or institution that is unsure
93 whether a certificate of need is required under this section, or (2) any
94 health care facility that proposes to relocate pursuant to section 19a-

95 639c shall send a letter to the office that describes the project and
96 requests that the office make a determination as to whether a certificate
97 of need is required. In the case of a relocation of a health care facility,
98 the letter shall include information described in section 19a-639c. A
99 person, health care facility or institution making such request shall
100 provide the office with any information the office requests as part of its
101 determination process.

102 (d) The Commissioner of Public Health may implement policies and
103 procedures necessary to administer the provisions of this section while
104 in the process of adopting such policies and procedures as regulation,
105 provided the commissioner holds a public hearing prior to
106 implementing the policies and procedures and prints notice of intent to
107 adopt regulations in the Connecticut Law Journal not later than twenty
108 days after the date of implementation. Policies and procedures
109 implemented pursuant to this section shall be valid until the time final
110 regulations are adopted. Final regulations shall be adopted by
111 December 31, 2011.

112 Sec. 2. Subsection (a) of section 19a-639e of the general statutes is
113 repealed and the following is substituted in lieu thereof (*Effective from*
114 *passage*):

115 (a) [Any] Unless otherwise required to file a certificate of need
116 application pursuant to the provisions of subsection (a) of section 19a-
117 638, as amended by this act, any health care facility that proposes to
118 terminate a service that was authorized pursuant to a certificate of
119 need issued under this chapter shall file a modification request with
120 the office not later than sixty days prior to the proposed date of the
121 termination of the service. The office may request additional
122 information from the health care facility as necessary to process the
123 modification request. In addition, the office shall hold a public hearing
124 on any request from a health care facility to terminate a service
125 pursuant to this section if three or more individuals or an individual
126 representing an entity with five or more people submits a request, in

127 writing, that a public hearing be held on the health care facility's
128 proposal to terminate a service.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>from passage</i> | 19a-638 |
| Sec. 2 | <i>from passage</i> | 19a-639e(a) |

Statement of Purpose:

To require 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.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. JANOWSKI, 56th Dist.; SEN. GUGLIELMO, 35th Dist.
REP. RYAN, 139th Dist.; REP. URBAN, 43rd Dist.
REP. REYNOLDS, 42nd Dist.

H.B. 5048