



House Bill No. 5048

Public Act No. 11-183

**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:

Section 1. Section 19a-638 of the general statutes, as amended by section 1 of public act 11-10, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) A certificate of need issued by the office shall be required for:

(1) The establishment of a new health care facility;

(2) A transfer of ownership of a health care facility;

(3) The establishment of a free-standing emergency department;

(4) The termination of inpatient or outpatient services offered by a hospital, including, but not limited to, the termination by a short-term acute care general hospital or children's hospital of inpatient and outpatient mental health and substance abuse services;

(5) The establishment of an outpatient surgical facility, as defined in section 19a-493b, or as established by a short-term acute care general hospital;

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(6) The termination of surgical services by an outpatient surgical facility, as defined in section 19a-493b, or a facility that provides outpatient surgical services as part of the outpatient surgery department of a short-term acute care general hospital, provided termination of outpatient surgical services due to (A) insufficient patient volume, or (B) the termination of any subspecialty surgical service, shall not require certificate of need approval;

[(6)] (7) The termination of an emergency department by a short-term acute care general hospital;

[(7)] (8) The establishment of cardiac services, including inpatient and outpatient cardiac catheterization, interventional cardiology and cardiovascular surgery;

[(8)] (9) The acquisition of computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners or positron emission tomography-computed tomography scanners, by any person, physician, provider, short-term acute care general hospital or children's hospital, except as provided for in subdivision [(23)] (22) of subsection (b) of this section;

[(9)] (10) The acquisition of nonhospital based linear accelerators;

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

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

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

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

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

(2) The establishment of offices by a licensed private practitioner, whether for individual or group practice, except when a certificate of need is required in accordance with the requirements of section 19a-493b or [subdivisions (8) and (9)] subdivision (9) or (10) of subsection (a) of this section;

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

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

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

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

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

(8) Outpatient rehabilitation facilities;

(9) Outpatient chronic dialysis services;

(10) Transplant services;

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

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

(13) A program licensed or funded by the Department of Children

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and Families, provided such program is not a psychiatric residential treatment facility;

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

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

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

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

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

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

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

[(21)] (20) The partial or total elimination of services provided by an outpatient surgical facility, as defined in section 19a-493b, except as provided in subdivision (6) of subsection (a) of this section and section 19a-639e, as amended by this act;

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

[(23)] (22) Acquisition of any equipment by any person that is to be used exclusively for scientific research that is not conducted on humans.

(c) (1) Any person, health care facility or institution that is unsure whether a certificate of need is required under this section, or (2) any health care facility that proposes to relocate pursuant to section 19a-639c shall send a letter to the office that describes the project and requests that the office make a determination as to whether a certificate of need is required. In the case of a relocation of a health care facility, the letter shall include information described in section 19a-639c. A person, health care facility or institution making such request shall provide the office with any information the office requests as part of its determination process.

(d) The Commissioner of Public Health may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner holds a public hearing prior to implementing the policies and procedures and prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Policies and procedures

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implemented pursuant to this section shall be valid until the time final regulations are adopted. Final regulations shall be adopted by December 31, 2011.

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

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

Sec. 3. Subsection (c) of section 19a-634 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) For purposes of conducting the state-wide health care facility utilization study and preparing the state-wide health care facilities and services plan, the office shall establish and maintain an inventory of all health care facilities, the equipment identified in subdivisions [(8)] (9) and [(9)] (10) of subsection (a) of section 19a-638, as amended by this act, and services in the state, including health care facilities that are exempt from certificate of need requirements under subsection (b) of

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section 19a-638, as amended by this act. The office shall develop an inventory questionnaire to obtain the following information: (1) The name and location of the facility; (2) the type of facility; (3) the hours of operation; (4) the type of services provided at that location; and (5) the total number of clients, treatments, patient visits, procedures performed or scans performed in a calendar year. The inventory shall be completed biennially by health care facilities and providers and such health care facilities and providers shall not be required to provide patient specific or financial data.

Approved July 13, 2011