



Written Testimony  
*In Support of*

***SB 361-AN ACT CONCERNING CERTIFICATE OF NEED REQUIREMENTS FOR MEDICAL  
DEVICES, EQUIPMENT AND NEW TECHNOLOGY***

**Committee on Public Health**

*February 27, 2013*

Senator Gerratana, Representative Johnson and members of the Public Health Committee, on behalf of the more than 250 orthopaedic surgeons of the Connecticut Orthopaedic Society, thank you for the opportunity to submit written testimony to you in support of ***SB 361, AN ACT CONCERNING CERTIFICATE OF NEED REQUIREMENTS FOR MEDICAL DEVICES, EQUIPMENT AND NEW TECHNOLOGY***

The Connecticut Orthopaedic Society is pleased to support this bill as we have long advocated that in order for Connecticut to be serious about providing affordable, quality health care, we should be looking at all options, not limiting them, as is the case with the current CON law.

Federal antitrust agencies, the Federal Trade Commission and Department of Justice, have held that CON statutes undercut consumer choice, stifle innovation and generally have failed to keep health care costs down. The proposed Senate Bill 361, if enacted, would begin to foster the free market principles in Connecticut by removing CON barriers for medical devices, equipment and new technology. The removal of these barriers will help to provide efficient, accessible and cost effective care.

The well established and well know result of CON regulation over the past three decades has been to escalate healthcare costs by limiting competitive market forces. In 2009, the State of Connecticut Department of Public Health issued a report entitled "Recommendations for Certificate of Need Reform". The findings of this report indicated that, after 36 years of CON regulation in Connecticut,

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“There is no statistical evidence that relates to the effectiveness or cost containment outcomes as a result of CON.”

As a result of the known escalation of healthcare costs associated with CON regulation, many states have significantly amended the CON process to limit their restrictive nature. It is time for Connecticut to accurately and fairly weigh the effect of CON regulation on the market place and work to reform and if necessary, dismantle the antiquated system and cumbersome process. If the Department of Public Health’s 2009 stated goal of “strengthening the financial stability of the entire [healthcare] system”, is to be reached, then we must begin to move towards this goal by opening the doors to competitive market forces which will inevitably and quickly drive down the costs of healthcare to the government and to the citizens of our state.

As physicians, we invest in and develop our practice locally and as business owners, we bear the fiscal responsibility of our investments at significant, personal financial risk. To minimize these risks, we utilize prudent measures when analyzing the feasibility of expanding our practice, owning an ambulatory surgery center, purchasing medical devices, equipment and technology. Patient care is a critical component when weighing our decision as well as the impact and improvement the investment will have on access, quality, effectiveness and efficiency of care. These are the benchmarks we should all employ as we continue to struggle with the economics of the health care delivery system.

Thank you for your time and consideration of the orthopaedic community’s concerns regarding the serious issues of CON and its adverse effect on Connecticut’s patients, the delivery of healthcare and our economy. The orthopaedic community looks forward to your support of SB 361 *AN ACT CONCERNING CERTIFICATE OF NEED REQUIREMENTS FOR MEDICAL DEVICES, EQUIPMENT AND NEW TECHNOLOGY*, as we work together to ensure access to quality, affordable care for our patients, Connecticut’s residents, in fair and free market.

Submitted by:

**William G. Cimino, MD**

*President-Connecticut Orthopaedic Society*