



Testimony of the Radiological Society of Connecticut (RSC)
Senate Bill 361
Public Health Committee
February 27, 2013

Senator Gerratana, Representative Johnson, and distinguished members of the Public Health Committee. My name is Andrew Lawson. I am a physician and radiologist practicing in Waterbury at Diagnostic Radiology Associates and at Waterbury Hospital. I am immediate past president and a current Executive Board member of the Radiological Society of Connecticut. I thank you for this opportunity to testify on behalf of RSC in opposition to SB-361. I would like to focus on the 4 year process for developing Standards and Guidelines for the CON Process for Advanced Imaging as finalized in the Statewide Health Care Facilities and Service Plan published by DPH/OHCA in October 2012.

In March, 2009, pursuant to Public Act 08-14, OHCA created a CT Scanner Workgroup to evaluate the CON process and criteria for approval of for CT scanners and make recommendations for updating and improvement. This workgroup was administered by OHCA and was made up of volunteer members from the stakeholders in this process as well as those non-stakeholders knowledgeable about the process. There were 2 representatives from CHA and 2 health care attorneys on the workgroup. Two Dental representatives were on the workgroup, one was an Oral Surgeon/Dentist and the other an administrator. There were two Radiology representatives from the Radiological Society of Connecticut. The Connecticut State Medical Society was represented by both an administrative director and multiple physicians. Overall the following medical specialties participated: Radiology, ENT, Orthopaedic Surgery, Neurology, and Urology. The committee met regularly and discussed the state's CON process: what worked, what didn't work, and how we could improve the process. We talked to other states that both have and don't have CON laws. This committee met multiple times through the fall of 2009. This committee was very effective in identifying issues to be addressed as well as researching solutions to the issues.

The committee first dealt with criteria for approval of CT scanners. Because of the success of with that technology in 2009, we turned in June 2010, OHCA created an Imaging Workgroup. The goal was to investigate guidelines that would be submitted to the Regulations Review Committee that would then be incorporated into the Statewide Health Care Facilities and Services Plan. Again the Workgroup was given the task of reviewing information from other states and professional organizations on best practice and report to OHCA its findings and recommendations. This committee was run by Kim Martone at OHCA. Participants again were from a broad based cross section of those involved in health care with invitations to participate offered to CHA, CSMS, the Dental Organization, Health Care attorneys, and CSMS representing

the medical specialties and subspecialties. The committee met frequently through 2010 and 2011. In 2012 a final version was published in October 2012 as the Statewide Health Care Facilities and Services Plan published by DPH. The plan was published in November 14, 2012 and the Regulations are now going through the formal route of Regulation approval.

Imaging and New Technology makes up an entire chapter of the Facilities and Services plan. Numerous participants both from DPH as well as the private sector volunteered an aggregate of hundreds of hours to making the process work. We talked to multiple other states and organizations. The final result was 6 pages of Standards and Guidelines that in detail address the CON process for CT scanners, MRI scanners, and PET scanners as well new technology. The Workgroup reviewed the history of the CON process in Connecticut as well as the need to continue CONs in Connecticut. The focus was on serving the best interest of the public, ensuring high quality of imaging services provided, and preventing unnecessary duplication of health care services that would add to cost in some regions and limit access in others. The members of the Workgroup clearly felt the need to continue the CON process. At no point did the participants in the process feel the need to recommend removing the CON process. At no point did the Workgroup find evidence of a need to improve competition in the area of imaging in medicine in Connecticut. None of the participants found any evidence to suggest nor did they suggest the need to remove CONs. One of the main concepts of the Standards/Guidelines is to make sure that the capacity of imaging meets the needs of the state population but that the capacity is not excessive which would add to would add cost to the system for public and private payors. It looks at the population of a geographic area and what the imaging need of that population should be based on current local and national data. If there is a shortage, additional scanners will be approved. If there is a surplus or no need for additional capacity, additional scanners will not be approved. Great care was given to provide exemptions to hospitals and other providers with special circumstances such as research or specific patient populations or specific clinical needs. Anyone can apply for a CON to add Imaging Equipment. The market is open to everyone. OHCA and DPH are best in the position to know what is best for the people for the State of Connecticut and approve additional scanners only when it serves the Public Good. DPH was very inclusive in creating these regulations.

The removal of CONs would allow for the unregulated addition of Imaging Equipment to the state. This would primarily be by physicians or other providers with the ability to order the tests that they will do and bill for – i.e., self-refer. In contrast, hospitals and radiologists do not order the tests we do, and the ordering doctor has no economic incentive to get the test. If a geographic service area has an adequate need, the providers that would be most interested in adding additional services are those that have the ability to self-refer. They would have the ability to order enough tests to recoup their financial investment by directing patients to their facilities. There is a strong well-documented link between self-referral and increased unnecessary financially-motivated testing. Removing the CON process would be equivalent to allowing widespread self-referral that the that Medicare and Medicaid programs can not afford. The issue of self-referral and it's problems was well understood by the Imaging Workgroup.

If there was a thought that eliminating CONs would improve the goals of improving services, maintaining cost effective health care, and best serving the state population, it would have been recommended or at least discussed by the Workgroup. But this is not what would best serve the State. Eliminating the CON process for imaging equipment would contribute to higher Healthcare costs for both state and federal government programs as well as for private insurers. It would cause an ineffective distribution of Imaging Services in the state and leave some areas in underserved. It would harm providers such as radiologists and hospitals that serve all patients, regardless of ability to pay and thereby limit access of the un- and under-insured to these services.

In summary, Connecticut is currently open to competition in the medical imaging field. Anyone may open an imaging center or acquire a scanner provided that there is a documented need demonstrated to OHCA and OHCA feels it best serves the public good and a CON is granted. Removing the CON process would be equivalent to allowing providers or entities could acquire imaging equipment even if it is detrimental to the public good but serves their own financial well-being. The legislature mandated that an evaluation of the CON process and criteria be undertaken. A great deal of time and effort over four years by a cross section of informed participants has evaluated the process and made their recommendations to OHCA. DPH has incorporated the Guidelines into the Plan that they have submitted. Why would the legislature reverse its own prior mandate, ignore the hard work by qualified people, and pass SB 361, which would eliminate the CON requirement for imaging equipment?

Thank you for your time.

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