

Testimony of Susan Lloyd Yolen, Vice President, Public Policy and Advocacy,  
Planned Parenthood of Southern New England  
CT General Assembly Public Health Committee, March 19, 2014

**Raised House Bill 5571: An Act Concerning Certificate of Need Requirements, Hospital Conversions and Medical Foundations; and Raised Senate Bill 460: An Act Concerning Hospital Conversions and Other Matters Affecting Hospitals**

Thank you Representative Johnson and Senator Gerratana, and members of the Public Health Committee, for the opportunity to provide testimony in support of the specific language that has been included in both House Bill 5571 and Senate Bill 460 to require that a State Certificate of Need (CON) be submitted and approved as part of any hospital conversion, before inpatient or outpatient reproductive services may be terminated by a hospital or other facility or institution operated in the State of Connecticut.

Over the past 15 or 20 years, a number of proposed health care system mergers or affiliations within our state (non-profit alliances, with one exception) were initially structured to reduce or eliminate full reproductive health care services in the resulting partnerships. So it is fitting that this legislation, aimed at regulating the impending wave of hospital purchases and the resulting conversions from non-profit to for-profit status, would also address the provision of reproductive health services. The reason for the elimination of certain pregnancy-related services has often been the adoption by the proposed merger of the Catholic Church's Ethical and Religious Directives for Health Care (referred to as the ERDs). Occasionally, the reasons have been stated as financial.

In 2012, a private-equity backed company from Texas, LHP Hospital Group, proposed a joint venture, purchasing both of the community hospitals in Waterbury: Waterbury Hospital and St. Mary's Hospital. Because LHP began negotiations with St. Mary's Hospital first, it had already agreed to perpetuate the ERDs at St. Mary's. Once LHP decided to add Waterbury Hospital to the partnership, it became clear that the deal would require the ERDs be applied to the merger. Had this purchase/conversion/partnership been confirmed, full reproductive health care would have been eliminated from both community hospitals in Waterbury and for those in the surrounding towns who might use the new health system, and the costly "state of the art" hospital building the potential backers promised city officials. For a variety of reasons, prominent among them the well-publicized elimination of reproductive health care services, the buyer eventually withdrew the offer of a joint venture and, as you know, both hospitals are currently exploring other alternatives.

In January of 2012, prior to the dissolution of the Waterbury plan, LHP prepared an extensive draft proposal focusing specifically on the contention that "non-ERD compliant services" were readily available at eight other community hospitals within 20 miles of Waterbury. The company proposed the construction of a \$5.3 million separately governed "ambulatory surgery center" (ASC) with a single operating room and limited hours of operation (only 1-2 days per week according to the draft). Convoluted proposals for ASC operations and finances segregated from the rest of the joint venture were outlined. Health care advocates discovered that, based upon this proposal, LHP contended that

tubal ligations should not be offered to women at the time of a Cesarean delivery. Instead, it was proposed that a post-partum woman wait up to 48 hours after her discharge from the hospital, to undergo a tubal ligation. (*The Provision of Non-ERD Compliant Health Services in Waterbury, CT in the event of a Consolidation of Waterbury Hospital and St. Mary's Hospital, 1-17-2012 "Draft Proposal."*)

Ultimately, no one in good faith believed that this was competent post-partum health care. Or that the 84 women who received inpatient tubal ligations in 2011 in Waterbury (about 65% of them on Medicaid) could be expected to travel elsewhere for such a procedure.

LHP had previously formed a similar joint venture in Florida, involving a Catholic partner (Sacred Heart) and the Bay Medical Center, leasing the Bay Medical Center facility and signing a 40 year lease agreement calling for the operations of the newly created hospital to comply with the Catholic Ethical and Religious Directives. (*Fred Hyde & Associates, Report to Community United for Jobs, Healthcare and Opportunity, June 2012*).

The Florida situation is relevant simply because LHP pulled it off, in a state where for-profit health care has been common for years. Regulators and opinion leaders and perhaps even women's health advocates in Florida apparently did not object to 40 years of limited reproductive health care...a bargain the hospital (and perhaps the community itself) struck in exchange for the LHP promise to eliminate hospital debt and infuse capital into a distressed facility.

As Connecticut moves forward in the perhaps inevitable direction of more for-profit health care, Planned Parenthood of Southern New England hopes that necessary pre-existing services, particularly those that can be difficult to access or may be sensitive in nature, won't be bargained away or stigmatized or isolated into freestanding buildings with questionable, unworkable business plans, that ultimately close.

Make no mistake: we do not believe that Catholic facilities themselves should be forced to offer services that conflict with their religious values. However, the State needs to demand that within the context of mergers and acquisitions, and certainly of conversion from non-profit to for-profit, the ERDs should not be applied to newly incorporated entities that include additional or subsequent partners who have previously offered reproductive health care, and wish to continue to offer these services to women and their families.

We support House Bill 5517 and Senate Bill 460 because a mandated CON process will require a hospital's buyer to publicly defend the termination of reproductive services and explain, within the context of a community hearing, why reproductive services are no longer necessary or cost-effective. Community members themselves, as well as state regulators, will have the opportunity to be heard during this process. We realize that there are broader additional reasons to support these bills and ask that you consider reproductive health care carefully as you weigh your overall position.

Thank you.