February 24, 2016

Good afternoon Sen. Gerratana, Rep. Ritter and members of the Public Health Committee. I am here to testify in support of HB 5211 AN ACT CONCERNING CERTIFICATES OF NEED and HB 5270, AN ACT CONCERNING THE RIGHT TO TRY EXPERIMENTAL DRUGS.

SB 5211 would make some needed changes in the Certificate of Need Process. Specifically, this legislation would require a Certificate of Need (CON) for a reduction in specialty services; currently a CON is required only for a termination of services. In this bill, a reduction in services is defined as a hospital decreasing by 50% or more the direct care staff hours in a unit that provides obstetric/maternity, pediatric, emergency, or critical care. This change is clearly needed as we have seen in a number of hospital "reorganizations" that were not deemed termination of services even though certain services were essentially terminated at the specific facility.

This bill would also add to the current items that OHCA must consider in the CON process, whether the applicant has demonstrated that the proposal will meet the health care needs of the public in the geographic region served by the facility. In addition, it would require that the CON hearing be held in the affected community. These provisions would offer protection for communities that are currently served by local community hospitals.

SB 5211 would also increase the individuals/entities that can appeal a CON decision to include any three or more individuals or any individual representing a group of five or more. This provision would allow much needed input by the affected community.

There are other changes to the CON statutes that deserve support. I would encourage the committee to examine a streamlined process for acquiring equipment. Ideally, the decision regarding
equipment purchases would be made on the basis of need and would reflect compliance with OHCAs statewide plan. There should be a qualitative evaluation. Additionally, I believe that competitors should not be automatically granted intervenor status. The current system allows larger entities to engage in anticompetitive practices as intervenors acting against a struggling smaller entity; this should be strongly discouraged. I urge you to pass and expand this legislation.