



**Testimony In Opposition To
House Bill 5168: An Act Concerning Mandate Relief for Hospitals
Submitted by Rosana Garcia, Policy Associate
Universal Health Care Foundation of Connecticut
February 17, 2017**

Universal Health Care Foundation of Connecticut opposes and raises major concerns regarding House Bill 5168: An act concerning mandate relief for hospitals. The description of this bill is unclear as to the exact state mandates that are being targeted for relief, but state mandates on hospitals are rooted in ensuring patient safety, access to high-quality affordable health care, and hospital accountability to their communities and the state. We would like to warn against the unintended consequences of removing these regulations and urge the committee to keep important state regulation that protects Connecticut residents.

As most Connecticut hospitals are non-profit hospitals, there are federal regulations tied to their 501(c)3 status. All hospitals that accept payment from Medicare and Medicaid must also follow federal regulation, whether they are non- or for-profit. The state is unable to influence those mandates, or provide relief.

According to an Office of Legislative Research report from 2013¹, Connecticut regulates hospitals in the state in four major areas: licensure, Certificate of Need, reporting, and Disproportionate Share Hospital requirements. As it is unclear which of these mandates this bill is seeking to address, we will touch on each briefly.

Licensure

Connecticut's Department of Public Health is responsible for the licensure of a wide variety of health care professionals and providers. Licensure is intended to make sure that professionals and providers have the required education, training and other requirements to deliver safe, high-quality care in an appropriate environment. It is hardly appropriate to remove these, as these are meant to protect patient safety, health and welfare.

Certificate of Need (CON)

This past year, the Certificate of Need program in Connecticut was subject to review by the Governor's Certificate of Need Task Force, established by Executive Order 51 (and amended in Executive Order 51A). Many of the recommendations of the Task Force are reflected in one of the Governor's Bills, Senate Bill 795. The Task Force represented a variety of stakeholders (and it could be argued that more consumer representation would have been appropriate) met and deliberated almost all aspects of the Certificate of Need program – both the program for health care providers and nursing homes.

Reporting

The Department of Public Health requires hospitals to do a fair amount of reporting on their finances and other issues. Much of this information is critical for the state to get a clear picture of hospitals' and hospital systems' fiscal solvency, as well as understand utilization trends that aid in health systems planning.

Non-profit hospitals must also submit their Community Health Needs Assessments, which are required to be completed every three years by federal law, as well as non-profit hospitals' Schedule H forms from their annually filed 990 forms. As these forms are already required federal law, there is little burden on hospitals to send a duplicate to the Department of Public Health. Having these available on the DPH website make them more accessible to the public.

Other reporting that hospitals are required to do are useful for transparency, and allows the public to assess many aspects of hospital care. In a shifting health care landscape, we need as much information as we can gather to evaluate the state's health care system. Relieving hospitals of this responsibility only hampers efforts to coordinate health systems planning.

Disproportionate Share Hospital (DSH)

Disproportionate Share Hospital programs are meant to help hospitals make up for uncompensated care costs. If hospitals are getting additional funding based on their uncompensated care circumstances, then it follows that hospitals need follow state regulation to access these funds.

Hospitals must be accountable to their communities

As community institutions responsible for acute and routine health care, hospitals should be accountable to their communities. Currently, state mandates facilitate that accountability – though there is still a lot of information that is not available to the public. By relieving hospitals of these mandates, we will only thwart our own ability to ensure that Connecticut residents have access to high-quality, affordable health care.

Please feel free to utilize Universal Health Care Foundation of Connecticut as a resource if you have any other questions regarding this matter. We hope you continue to hold Connecticut hospitals accountable to their communities, patients, and the state.

Universal Health Care Foundation of Connecticut's mission is to serve as a catalyst that engages residents and communities in shaping a democratic health system that provides universal access to quality, affordable health care and promotes health in Connecticut. We believe that health care is a fundamental right and that our work is part of a broader movement for social and economic justice.

ⁱ OLR, Hospital Regulation In Connecticut, July 2013, <https://www.cga.ct.gov/2013/rpt/2013-R-0266.htm>