



**TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
PUBLIC HEALTH COMMITTEE
Wednesday, March 20, 2013**

**SB 1066, An Act Concerning Certificate Of Need Application Guidelines
And The Issuance Of Decisions**

The Connecticut Hospital Association (CHA) appreciates the opportunity to submit testimony concerning **SB 1066, An Act Concerning Certificate Of Need Application Guidelines And The Issuance Of Decisions**. CHA supports the bill.

In the recent debates and discussions on healthcare reform, there is one basic principle upon which nearly everyone agrees—we are struggling to find ways to pay for all of the healthcare services that our citizens need and deserve. Available healthcare dollars are at such devastatingly low levels, hospitals are facing unprecedented challenges simply to maintain access to critical services.

Connecticut's Certificate of Need (CON) system is a transparent, public, and ordered safeguard on the use of scarce healthcare dollars for certain services. Although there have been revisions to keep current with changes in healthcare delivery, the basic foundations of our CON system have been in operation for decades. Two primary purposes of the CON system are to ensure that healthcare dollars are not spent unnecessarily in duplication of services, and that actual and anticipated patient demand justifies each proposed purchase or project.

SB 1066 requires that the Office of Health Care Access (OHCA), when deliberating on a CON application, consider and make written findings concerning whether the proposed project described in the application is consistent with the goals of federal healthcare reform. SB 1066 also provides that an application for which OHCA has not issued a decision within the applicable review period is deemed approved.

As hospitals, other providers, and the state of Connecticut work to implement the multitude of provisions within the Patient Protection and Affordable Care Act, it becomes incumbent on our CON system to take into consideration how any CON integrates with the federal healthcare reform. SB 1066 allows OHCA to consider, as one of many factors, how proposed changes would coordinate with healthcare reform.

Prior to its most recent overhaul, CON law contained a provision that stated that if OHCA did not render a decision within 90 days, the application was deemed approved. Under OHCA's 2010 modification, the "deemed approved" provision no longer exists. So, even though OHCA continues to be required to render a decision within 90 days of an application's completion, there are no consequences if the decision is rendered after that timeframe. SB 1066 returns the CON law to where it was prior to the 2010 revisions.

We know that OHCA and all state agencies are struggling to work with declining resources as a result of the difficult state budget, but CHA is concerned that the time it takes for OHCA to render a decision is increasing. Meanwhile, the healthcare system is changing rapidly. To help hospitals and other providers keep up with these changes in a timely manner, we urge support to require OHCA to render a decision within 90 days, or rule any CON application approved.

For these reasons, we urge you to support SB 1066.

Thank you for your consideration of our position.

For additional information, contact CHA Government Relations at (203) 294-7310.