



**TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
PUBLIC HEALTH COMMITTEE
Wednesday, February 27, 2013**

**SB 361, An Act Concerning Certificate Of Need
Requirements For Medical Devices, Equipment And New Technology**

The Connecticut Hospital Association (CHA) appreciates the opportunity to submit testimony concerning **SB 361, An Act Concerning Certificate Of Need Requirements For Medical Devices, Equipment And New Technology**. CHA opposes the bill.

In the recent debates and discussions on healthcare reform, there is one basic principle that nearly everyone agrees upon—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. CON procedures apply to the purchase of medical equipment, including imaging equipment such as CT scanners and MRI machines. While these machines are vital for the delivery of care, they have staggeringly high price tags running into the hundreds of thousands of dollars.

SB 361 would repeal these CON controls, and would allow any provider to purchase and use medical devices and equipment without being subject to the CON process. Such a change will result in overutilization, duplication of services, and the wasting of scarce healthcare dollars. SB 361, if enacted, would literally add millions of dollars of cost while serving the same number of patients. The bill proposes a change that Connecticut cannot afford.

Additionally, Connecticut's CON review process includes an in-depth analysis for imaging equipment, with a detailed review of general safety standards for patient use, radiation standards, and credentials of staff operating the equipment, among dozens of other criteria. The important standards included in our current CON process would be lost if SB 361 were to become law.

Our CON system is not perfect. CHA has worked closely with this Committee and the Office of Health Care Access to improve CON. We remain dedicated to continuing that work to ensure transparent, public, and balanced CON processes stay in place. Exempting medical devices and equipment from CON would severely weaken the CON system.

For these reasons, we urge you not to support SB 361.

Thank you for your consideration of our position.

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