SB 811, An Act Concerning Parity In Hospital Sales Oversight

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning SB 811, An Act Concerning Parity In Hospital Sales Oversight.

Before commenting on the bill, it’s important to point out that Connecticut hospitals treat everyone who comes through their doors 24 hours a day, regardless of ability to pay.

This is a time of unprecedented change in healthcare, and Connecticut hospitals are leading the charge to transform the way care is provided. They are focused on providing safe, accessible, equitable, affordable, patient-centered care for all, and they are finding innovative solutions to integrate and coordinate care to better serve their patients and communities.

SB 811 amends Sections 19a-486a to 19a-486h of the Connecticut General Statutes to (1) expand the requirements to include all hospital sales, and (2) require the Commissioner of Public Health, when considering whether to impose any condition on a transaction under Subsection (b) of Section 19a-486b of the General Statutes, to weigh the value of such condition against the potential negative impact that the failure of the proposed sale to proceed may have on (A) the affected community's continued access to high quality and affordable healthcare after accounting for likely changes in staffing levels, and (B) the provision of services to uninsured and underinsured persons.

CHA opposes expanding the hospital conversion law to include all hospital sales. Under existing law, the Attorney General is focused on reviewing the impact that the proposed acquisition of a not-for-profit hospital by a for-profit hospital will have on the charitable assets of the not-for-profit hospital, and the potential for difference in service model. A similar review is not needed when no for-profit hospital is involved in the transaction, as there is no conversion of any charitable assets.
With respect to expanding the authority of the Department of Public Health (DPH) and its ability to impose conditions on the sale or acquisition of a hospital, CHA believes that, under existing law, DPH has the authority to impose appropriate conditions as necessary to protect patients and communities. In the past several years, DPH, though the Office of Health Care Access (OHCA), has issued decisions with various conditions on the proposed acquisition of a not-for-profit hospital by either a for-profit entity or another not-for-profit hospital. Therefore, CHA does not believe that Section (2) of SB 811 is needed.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.