



**TESTIMONY OF  
CONNECTICUT HOSPITAL ASSOCIATION  
SUBMITTED TO THE  
PUBLIC HEALTH COMMITTEE  
Monday, March 13, 2023**

**HB 6731, An Act Concerning The Department Of Public Health's  
Recommendations Regarding Change In Ownership Of Health Care Facilities**

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **HB 6731, An Act Concerning The Department Of Public Health's Recommendations Regarding Change In Ownership Of Health Care Facilities**. CHA supports the concept but requests changes to the bill.

Connecticut hospitals continue to meet the challenges posed by the COVID-19 pandemic and are now facing new challenges of treating sicker patients than they saw before the pandemic, with a dedicated but smaller workforce who are exemplary but exhausted. They are also experiencing significant financial hardships brought on by record inflation. Through it all, hospitals have been steadfast, providing high-quality care for everyone who walks through their doors, regardless of ability to pay.

We support the bill's intent of ensuring that before the ownership of a healthcare facility is transferred or changes hands, an appropriate level of review is conducted. We are concerned that as drafted, the legislation may not be as effective as desired and may inadvertently tie the hands of the Commissioner of Public Health, who should retain an appropriate level of discretion in making decisions in this space. It is essential that we all work together to develop a system that allows the Department of Public Health (DPH) to obtain all the necessary information to make an informed decision, but also ensures a process that will weed out bad actors, while supporting the appropriate ownership of healthcare facilities.

Hospitals are subject to extensive review for change of ownership through the Certificate of Need (CON) process as overseen by the Office of Health Strategy's Health Systems Planning Unit. We recognize that licensure issues and CON review are two necessary components of the change of ownership process, but we urge the Committee to avoid creating misaligned processes that would add an unnecessary administrative burden. Our goal is to ensure the law does not create a process that is duplicative and wasteful of resources for both the state and the facility.

We ask the Committee to align these new requirements with the extensive, existing statutory construction that outlines the hospital change in ownership process.

We encourage the Committee to consider a number of issues related to the data elements that must be supplied by the new owner as part of the proposed application. We believe the intent of the legislation is to ensure that the state is aware of any issues related to the new owner. For example, whether the new owner faces any existing complaints or legal action. We are concerned that as drafted, DPH would be receiving information it already has on hand (e.g., complaints about existing facilities), rather than information that it may not have readily accessible but important to determining a change in ownership application. Additionally, while we understand that difficult situations may be present with applicants who may be related by blood or marriage, we do note that there may be a situation when family members have very different approaches and histories in ownership and that the Commissioner should have some level of discretion to do an independent evaluation, rather than a blanket denial.

We would welcome the opportunity to partner with the Committee and DPH to develop language that strikes the appropriate balance to protect the public and not discourage ownership.

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