

**TESTIMONY OF
RONALD J. BIANCHI, CORPORATE SENIOR VICE PRESIDENT
ST. VINCENT'S MEDICAL CENTER
PUBLIC HEALTH COMMITTEE – March 25, 2003
SB-1148, An act concerning outpatient surgical facilities**

Senator Murphy, Representative Feltman and members of the Public Health Committee, my name is Ronald Bianchi, and I am Corporate Senior Vice President of St. Vincent's Medical Center in Bridgeport, Connecticut.

I am here today to testify on behalf of Senate Bill 1148, an act concerning outpatient surgical facilities. I support this bill because there are increasing entrepreneurial efforts in Connecticut to develop freestanding services in settings that do not have the same level of approval and clinical oversight that is required at other settings, such as hospitals. As you know, hospitals are required to obtain a Certificate of Need for new services, including those related to outpatient surgery, and hospitals are also provided with oversight by the Department of Public Health and regulated by OCHA. Other entities attempting to carve out these services from hospitals into other settings should be subject to the same level of quality and regulatory oversight. To do otherwise exposes patients to liability from entities that will not be held accountable to the same rigorous level of quality and regulatory oversight that applies to hospital-owned surgical facilities.

I would also like to speak to the impact entrepreneurial carve-out activities are having on the hospital systems of our state. As you know, Connecticut is unique in that all of the hospitals located in the state, except one, are not-for-profit, and all of these not-for-profit hospitals have accepted the responsibility of caring for the poor and disadvantaged in Connecticut. I believe that all hospitals have done this admirably, despite many financial pressures. In many other states, there are state, county or city owned hospitals, which have been created to care for the poor. In Connecticut, the state avoids this liability because of the commitment and support to the poor provided by not-for-profit hospitals. However, the not-for-profit health care system in our state is in a very fragile condition and, in some cases, our hospitals are in serious financial jeopardy. While a few hospitals in our state have done well financially, the majority of hospitals in Connecticut are having very serious difficulties meeting their financial obligations or breaking even from operations.

If hospitals in Connecticut are valued, and if this Committee feels they need to be protected in order to be there for everyone, then I ask that you consider protecting hospitals by not encouraging erosion of their few remaining profitable services.

Holding all potential providers of care for outpatient surgical procedures accountable to the same review and scrutiny helps to keep this playing field level at a critical time. Your attention to and consideration of this issue and concern is very much appreciated.

Thank you for your consideration of my comments.