

**TESTIMONY OF MARC H. LORY
PRESIDENT AND CEO, EASTERN CONNECTICUT HEALTH NETWORK
PUBLIC HEALTH COMMITTEE**

March 25, 2003

Re: AN ACT CONCERNING OUTPATIENT SURGICAL FACILITIES

Thank you for this opportunity to submit testimony regarding SB 1148, An Act Concerning Outpatient Surgical Facilities, which I strongly support. SB 1148 would require outpatient surgical facilities using specified levels of sedation or anesthesia to obtain a license from the Department of Public Health (DPH) and a Certificate of Need from the Office of Health Care Access (OHCA).

As the President and CEO of ECHN, I am responsible for the operations of two non-profit community hospitals that offer a broad array of outpatient surgical services to our patients. As such, we are licensed by the DPH and must obtain a CON for any new services or for major capital expenses, including those related to outpatient surgery performed in the hospital or in any affiliated outpatient surgical facility. If ECHN wished to establish an outpatient surgery facility at another location in our 19-town service area, we would be required undergo the rigorous CON review process before moving forward.

The state has established this review process to assure that the facilities we establish do respond to a genuine community need, do not duplicate existing services in the community, and that, once open, will adhere to the stringent standards set by various regulatory agencies such as the DPH and the Joint Commission on the Accreditation of Healthcare Organizations.

For issues of quality assurance and genuine community need, organizations that are not hospitals, but which provide identical surgical services as do hospitals, should be subject to the same level of regulatory oversight as hospitals experience. Patients who undergo surgery in an outpatient setting with the use of moderate or deep sedation have the right to be assured that their procedures will take place in a properly-equipped facility that has been licensed by the DPH and approved by OHCA, regardless of how it is structured.

SB1148 would correct the present situation that allows certain outpatient surgical facilities to be exempt from the level of quality oversight and regulatory scrutiny that hospital surgical facilities must face.

Currently, the differing levels of regulatory review provide an unfair economic advantage to those facilities that do not receive such a rigorous review. These facilities are able to avoid the costs and resource commitments that hospitals must devote to meeting the regulatory requirements. Hospitals also willingly serve patients regardless of their ability to pay or source of payment, while many non-hospital surgical facilities do not do so.

This bill would assure that both Manchester Memorial Hospital and Rockville General Hospital will continue to be able to provide the high quality outpatient surgical services that our community needs, without unfair competition from facilities that avoid the close scrutiny and quality assurance guarantees that we must undertake. Passage of SB 1148 can only benefit surgical patients in the Connecticut, by assuring that all facilities that perform similar functions are subject to the same regulatory oversight and quality standards.

Thank you for your consideration of my comments.