



**TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
PUBLIC HEALTH COMMITTEE
Wednesday, March 7, 2012**

**HB 5321, An Act Concerning The Office Of Health Care Access
And The Certificate Of Need Process**

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **HB 5321, An Act Concerning The Office Of Health Care Access And The Certificate Of Need Process**.

CHA opposes section 3 and section 10 of the bill.

Section 3 of the bill requires hospitals to submit additional financial and operational information to the Office of Health Care Access (OHCA) on a quarterly basis. Hospitals already submit *significant* financial information to OHCA on an annual basis. As written, the goal appears to be to provide OHCA with statistical data on a more real-time basis, thus allowing OHCA to assess the financial condition of the healthcare system throughout Connecticut. We support this goal, but it cannot be achieved with information *only* from hospitals and without the same information from any other healthcare providers. In addition, this requirement would significantly increase the regulatory burden on hospitals. We respectfully request that the Committee delete section 3 from the bill.

Section 10 of the bill requires a healthcare facility to seek approval from OHCA before the facility is allowed to enter into a contract to provide the services described in a previously filed certificate of need. Such a process will have unintended and potentially harmful consequences for hospitals and the communities they serve.

Hospitals frequently contract for services, including core clinical services. For some hospitals, there are simply no other available means to provide certain services, making a contract a necessity. The Connecticut Public Health Code and the CMS Medicare Conditions of Participation expressly permit hospitals to contract for services. Pursuant to both state licensure oversight and federal compliance rules, contracted services must meet all of the same quality and safety standards as services that the hospital provides through its employees.

Adding a certificate of need process to this heavily regulated and common practice of contracting for services will not improve safety or quality, but will put at risk the ability of hospitals to obtain vital services in the most cost-effective and competitive manner. Creating a pre-approval process before a contract can be signed will immediately reduce the number of willing contractors, many of whom are multi-state entities that perform complex services that are in high demand. The ultimate effect, although unintended, will be a reduction in access to vital services.

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