

Task Force to Study and Make Recommendations Concerning Certificates of Need

Working Group – A Preliminary Recommendations

November 30, 2022

Public Act 22-118, Section 124: Task Force to Study and Make Recommendations Concerning Certificates of Need

- Sec. 124. (a) There is established a task force to study and make recommendations concerning certificates of need. The task force shall study and make recommendations concerning the following matters:
- (1) The institution of a price increase cap that is tied to the cost growth benchmark for consolidations;
- (2) guaranteed local representation of communities on hospital boards;
- (3) changes to the Office of Health Strategy's long-term, state-wide health plan to include an analysis of services and facilities and the impact of such services and facilities on equity and underserved populations;
- (4) setting standards for measuring quality as a result of a consolidation;
- (5) enacting higher penalties for noncompliance and increasing the staff needed for enforcement;
- (6) the Attorney General's authority to stop activities as the result of a certificate of need application or complaint;
- (7) the ability of representatives of the workforce and the community to intervene or appeal decisions;
- (8) giving the Office of Health Strategy the authority to require an ongoing investment to address community needs;
- (9) capturing lost property taxes from hospitals that have converted to nonprofit entities; and
- (10) the timeliness of decisions or approvals relating to the certificate of need process and relief available through such process.



Working Group – A: Focus and Members

- Study and make recommendations concerning the following matters:
 - The institution of a price increase cap that is tied to the cost growth benchmark for consolidations
 - Setting standards for measuring quality as a result of a consolidation
- Members:
 - Patrick Charmel, President and CEO Griffin Health Services
 - Jean Ahn, Chief Strategy Officer Nuvance Health
 - Dr. Thomas Farquhar, President Radiological Society of CT, Partner Jefferson Radiology
 - Dan Keenan, VP Advocacy and Government Relations Trinity Health Of New England



Working Group – A: Preliminary Recommendations

- The institution of a price increase cap that is tied to the cost growth benchmark for consolidations
 - We appreciate the goal of the Connecticut Cost Growth Benchmark is to limit the growth of <u>total</u> <u>healthcare expenditures</u> to help maintain a high quality of life in Connecticut.
 - We know that the Office of Health Strategy has utilized cost growth benchmarks to limit annual increases in rates for approved settlements.
 - While we understand that the entities involved in proposed transactions may agree to limit rate growth for specific services, we have significant concern with a broad application of price caps tied to the cost growth benchmark for all transactions or consolidations that come before OHS.



Working Group – A: Preliminary Recommendations

- Setting standards for measuring quality as a result of a consolidation
 - We appreciate the goal of utilizing the Certificate of Need process to maintain and improve quality.
 - We support expanding the CON process to allow the Office of Health Strategy the ability to consider the quality of services, provided such review is based on generally accepted, nationally recognized clinical best practices and guidelines.
 - We are concerned with the capacity and bandwidth of the Office of Health Strategy to independently develop new standards and to re-measure quality of care on an ongoing basis.
 - If quality measures are utilized, baselines should be established and improvement over baseline should be monitored.
 - Level the playing field in order to truly limit the growth of total healthcare expenditures, all providers should be subject to the same rules.



Discussion / Questions

