



General Assembly

Amendment

February Session, 2014

LCO No. 3648

SB0003503648SD0

Offered by:

SEN. LOONEY, 11th Dist.
SEN. GERRATANA, 6th Dist.
SEN. FASANO, 34th Dist.

To: Subst. Senate Bill No. 35

File No. 419

Cal. No. 286

"AN ACT CONCERNING NOTICE OF ACQUISITIONS, JOINT VENTURES AND AFFILIATIONS OF GROUP MEDICAL PRACTICES."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Section 19a-630 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective October 1, 2014*):

5 As used in this chapter, unless the context otherwise requires:

6 (1) "Affiliate" means a person, entity or organization controlling,
7 controlled by or under common control with another person, entity or
8 organization. Affiliate does not include a medical foundation
9 organized under chapter 594b.

10 (2) "Applicant" means any person or health care facility that applies
11 for a certificate of need pursuant to section 19a-639a.

12 (3) "Bed capacity" means the total number of inpatient beds in a
13 facility licensed by the Department of Public Health under sections
14 19a-490 to 19a-503, inclusive.

15 (4) "Capital expenditure" means an expenditure that under
16 generally accepted accounting principles consistently applied is not
17 properly chargeable as an expense of operation or maintenance and
18 includes acquisition by purchase, transfer, lease or comparable
19 arrangement, or through donation, if the expenditure would have been
20 considered a capital expenditure had the acquisition been by purchase.

21 (5) "Certificate of need" means a certificate issued by the office.

22 (6) "Days" means calendar days.

23 (7) "Deputy commissioner" means the deputy commissioner of
24 Public Health who oversees the Office of Health Care Access division
25 of the Department of Public Health.

26 (8) "Commissioner" means the Commissioner of Public Health.

27 (9) "Free clinic" means a private, nonprofit community-based
28 organization that provides medical, dental, pharmaceutical or mental
29 health services at reduced cost or no cost to low-income, uninsured
30 and underinsured individuals.

31 (10) "Health care facility" means (A) hospitals licensed by the
32 Department of Public Health under chapter 368v; (B) specialty
33 hospitals; (C) freestanding emergency departments; (D) outpatient
34 surgical facilities, as defined in section 19a-493b and licensed under
35 chapter 368v; (E) a hospital or other facility or institution operated by
36 the state that provides services that are eligible for reimbursement
37 under Title XVIII or XIX of the federal Social Security Act, 42 USC 301,
38 as amended; (F) a central service facility; (G) mental health facilities;
39 (H) substance abuse treatment facilities; and (I) any other facility
40 requiring certificate of need review pursuant to subsection (a) of
41 section 19a-638. "Health care facility" includes any parent company,

42 subsidiary, affiliate or joint venture, or any combination thereof, of any
43 such facility.

44 (11) "Hospital" means a hospital licensed by the Department of
45 Public Health under chapter 368v.

46 (12) "Medical foundation" means a medical foundation formed
47 under chapter 594b.

48 ~~[(11)]~~ (13) "Nonhospital based" means located at a site other than the
49 main campus of the hospital.

50 ~~[(12)]~~ (14) "Office" means the Office of Health Care Access division
51 within the Department of Public Health.

52 ~~[(13)]~~ (15) "Person" means any individual, partnership, corporation,
53 limited liability company, association, governmental subdivision,
54 agency or public or private organization of any character, but does not
55 include the agency conducting the proceeding.

56 ~~[(14)]~~ (16) "Transfer of ownership" means a transfer that impacts or
57 changes the governance or controlling body of a health care facility or
58 institution, including, but not limited to, all affiliations, mergers or any
59 sale or transfer of net assets of a health care facility.

60 Sec. 502. Subsection (a) of section 19a-638 of the 2014 supplement to
61 the general statutes is repealed and the following is substituted in lieu
62 thereof (*Effective October 1, 2014*):

63 (a) A certificate of need issued by the office shall be required for:

64 (1) The establishment of a new health care facility;

65 (2) A transfer of ownership of a health care facility;

66 (3) A transfer of ownership of a group practice, as defined in section
67 1 of this act, to a hospital, health system, as defined in section 33-182aa,
68 medical foundation or other entity that is owned by, or an affiliate of, a

69 hospital;

70 ~~[(3)]~~ (4) The establishment of a freestanding emergency department;

71 ~~[(4)]~~ (5) The termination of inpatient or outpatient services offered
72 by a hospital, including, but not limited to, the termination by a short-
73 term acute care general hospital or children's hospital of inpatient and
74 outpatient mental health and substance abuse services;

75 ~~[(5)]~~ (6) The establishment of an outpatient surgical facility, as
76 defined in section 19a-493b, or as established by a short-term acute
77 care general hospital;

78 ~~[(6)]~~ (7) The termination of surgical services by an outpatient
79 surgical facility, as defined in section 19a-493b, or a facility that
80 provides outpatient surgical services as part of the outpatient surgery
81 department of a short-term acute care general hospital, provided
82 termination of outpatient surgical services due to (A) insufficient
83 patient volume, or (B) the termination of any subspecialty surgical
84 service, shall not require certificate of need approval;

85 ~~[(7)]~~ (8) The termination of an emergency department by a short-
86 term acute care general hospital;

87 ~~[(8)]~~ (9) The establishment of cardiac services, including inpatient
88 and outpatient cardiac catheterization, interventional cardiology and
89 cardiovascular surgery;

90 ~~[(9)]~~ (10) The acquisition of computed tomography scanners,
91 magnetic resonance imaging scanners, positron emission tomography
92 scanners or positron emission tomography-computed tomography
93 scanners, by any person, physician, provider, short-term acute care
94 general hospital or children's hospital, except as provided for in
95 subdivision (22) of subsection (b) of this section;

96 ~~[(10)]~~ (11) The acquisition of nonhospital based linear accelerators;

97 [(11)] (12) An increase in the licensed bed capacity of a health care
98 facility;

99 [(12)] (13) The acquisition of equipment utilizing technology that
100 has not previously been utilized in the state;

101 [(13)] (14) An increase of two or more operating rooms within any
102 three-year period, commencing on and after October 1, 2010, by an
103 outpatient surgical facility, as defined in section 19a-493b, or by a
104 short-term acute care general hospital; and

105 [(14)] (15) The termination of inpatient or outpatient services offered
106 by a hospital or other facility or institution operated by the state that
107 provides services that are eligible for reimbursement under Title XVIII
108 or XIX of the federal Social Security Act, 42 USC 301, as amended."

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>October 1, 2014</i>	19a-630
Sec. 502	<i>October 1, 2014</i>	19a-638(a)