



Massachusetts Council of Community Hospitals

Submission to the Joint Committee on Public Health from Donald J. Thieme, Executive Director,  
The Massachusetts Council of Community Hospitals

Testimony in favor of House 2063

December 28, 2007

The Massachusetts Council of Community Hospitals supports House 2063, *An Act Relative to Determinations of Need*. Attached is our rationale of the proposed legislation, as well as a briefing paper on the history behind the “physician exclusion” as it relates to Determination of Need (DoN).

In July 2007, the Special Commission on Ambulatory Surgical Centers and Medical Diagnostic Services completed its work. The recommendations of this Commission, as they pertain to Ambulatory Surgical Centers (ASC’s), do not counter the features of House 2063. This legislation captures only those facilities which represent a higher risk to the general population, requires oversight where there is currently a vacuum, and requires the oversight to be no more than that required of hospital based facilities. By requiring a DoN process, House 2063 does not prohibit the growth of physician owned facilities but rather will encourage more local collaborative planning and hopefully minimization of redundant and costly services. The legislation provides for ASC’s to participate in the Safety Net Trust Fund but also requires such free standing facilities to be assessed at the same level as hospital based ASC’s. Physician owned ASC’s currently escape such an assessment. We believe the time is right for a more even playing field to be created in quality oversight of such facilities.

Attachments:

1. Report of the Special Commission on Ambulatory Surgical Centers & Medical Diagnostic Services
2. Lynk, William J., Longley, Carina S. The Effects of Physician-Owned Surgicenters On Hospital Outpatient Surgery: What can happen when a hospital's staff physicians become its business rivals. *Heath Affairs*. 21 (4): 215-221. 2002 July/August.
3. Massachusetts Council of Community Hospitals' rationale for House No. 2063