

Health Planning Committee

Progress Report

February 2, 2012

Committee Charge

CON Redesign

June 2, 2012: Adoption of Recommendations

Administrative Streamlining of CON

Fall 2012: Issuance of Report

Repurpose and Reform of CON

Connecting to Payment and System Delivery Reform
Table-Setting for 2013

Briefing Papers

January 2012

Brief History of CON

Recent Reforms (2008-11)

Profile of Existing CON Process

Levels of Review

Synopsis of Stakeholder Recommendations

Rationale for CON 2011

Rein in Excessive Capital Investment

**Promote Alignment of Health Care
Services with Community Need**

Promote Health Care Quality

Promote Access to Needed Services

Benefits, Drawbacks, and Shortcomings

A. Benefits

- Potentially powerful tool to align health care resources with community need
- Curbs unnecessary capital investment that drives up costs and utilization
- Stimulates beneficial collaboration
- Protects certain providers that provide public goods
- Promotes quality by concentrating volume and expertise

Benefits, Drawbacks, and Shortcomings

B. Drawbacks

- Creates delays in necessary development and construction ...and in responding to system change
- Incurs costs for providers and DOH
- Reduces competition that may drive improvements in quality and cost
- Potential stifling of innovation

Benefits, Drawbacks, and Shortcomings

C. Possible Shortcomings

- Reactive not proactive
- Lacks integration with OMH and OASIS
- Quality not given adequate consideration
- Need methodologies are out of date
- Population health considerations are not weighed appropriately

(Cont'd)

Benefits, Drawbacks, and Shortcomings

C. Possible Shortcomings (Cont'd)

- Physician practices are not subject to CON and may not be factored into calculation of need
- Review standards do not address needs of integrated systems, particularly in light of new risk-based reimbursement mechanisms
- Passive parent relationships are not subject to established approval
- Insufficient local/regional health planning
- Insufficient public notice of Council agendas

Administrative Streamlining

Draft Suggestions for DOH Review

- Eliminate CON process for construction projects (i.e., not additions of beds or services)
- Revise process to facilitate the integrated provision of physical and behavioral health services (co-location/co-licensure/multi-agency licensure)
- Consider co-location of D&TCs with nursing facilities
- Streamline process for amendments to approved CONs based on cost by processing administratively

(Cont'd)

Administrative Streamlining

Draft Suggestions for DOH Review (Cont'd)

- Shift to self-certification for architectural/engineering compliance and physical plant inspection
- Create a process for updating CON reviews of technology acquisitions to account for a given piece of equipment becoming standard of care
- Create timeline for reviews

Additional (undigested) Ideas

- **Why bring LHCSAs to the Council?**
- **Permit administrative extension of limited life, if provider meets high-quality standards and has satisfied conditions**
- **Create a new process for large, complex projects**
- **Create Technical Advisory Group on architecture/engineering with pre-submission conference**
- **CON fees should support CON staffing; reduction in process should not trigger reduction in staff**

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Additional (undigested) Ideas (Cont'd)

- Streamlining should be linked to broadening scope of CON to encompass physician practices
- Established provider acquiring another provider should not have to file new 2As for board members
- Process needs to be more proactive – solicit applications, batch, etc.
- Strengthen local input/planning

Committee Activities

Next Steps

Special Meeting: March 21

Repurposing of CON

Refining Recommendations for Streamlining

Regular Meeting: March 22

Health Service Integration: A Colloquium

Commissioners Burke, Hogan, Shah and Sanchez