

STATE OF CONNECTICUT  
OFFICE OF HEALTH STRATEGY

DOCKET NO. 21-32445-CON

A HEARING REGARDING THE TRANSFER OF OWNERSHIP OF  
51% OF THE MEMBERSHIP INTEREST IN  
LITCHFIELD HILLS SURGERY CENTER, LLC TO  
HARTFORD HEALTHCARE CORPORATION d/b/a HHC SURGERY  
CENTER HOLDINGS, LLC.

VIA ZOOM AND TELECONFERENCE

Public Hearing held on Wednesday,  
January 11, 2023, beginning at 9:30 a.m.,  
via remote access.

H e l d   B e f o r e:

ALICIA J. NOVI, ESQ., Hearing Officer

Administrative Staff:

STEVEN W. LAZARUS, CON Program Supervisor

JESSICA RIVAL, Healthcare Analyst

MAYDA CAPOZZI, Administrator

Reporter: Lisa L. Warner, CSR #061

1   **A p p e a r a n c e s:**

2  
3       **For the Applicants:**

4               SHIPMAN & GOODWIN LLP

5               One Constitution Plaza

6               Hartford, Connecticut   06103

7               Phone:   860.251.5104   Fax:   860.251.5211

8                       BY:   JOAN W. FELDMAN, ESQ.

9                               jfeldman@goodwin.com

10  
11  
12  
13  
14   **\*\*All participants were present via remote access.**

1 (Whereupon, the hearing commenced at 9:30 a.m.)

2 HEARING OFFICER NOVI: Good morning,  
3 everybody. It's now 9:31 a.m. on January 11,  
4 2023. This will be the CON hearing for Hartford  
5 HealthCare Corporation d/b/a Hartford HealthCare  
6 or HHC Surgery Center Holdings, LLC and Litchfield  
7 Hills Surgery Center, LLC, Docket No.  
8 21-32445-CON. Let me just adjust this so you can  
9 see me when I look down. Hartford HealthCare  
10 Corporation d/b/a HHC Surgery Center Holdings,  
11 LLC, the Litchfield Hills Surgery Center, LLC, the  
12 applicants in this matter, seek a certificate of  
13 need for the transfer of ownership of a health  
14 care facility under Connecticut General Statutes,  
15 Section 19a-638(a)(2) -- specifically, I will  
16 refer to Hartford HealthCare Corporation as  
17 Hartford Hospital just for brevity sake or HHC  
18 throughout this -- proposes to purchase a 51  
19 percent interest in Litchfield Hills Surgery  
20 Center, LLC. Throughout this proceeding, I will  
21 use those two I just mentioned interchangeably  
22 when referring to Hartford HealthCare Corporation  
23 d/b/a HHC Surgery Center Holdings, LLC.

24 Today is January 11, 2023. My name is  
25 Alicia Novi. Deidre Gifford, the new incoming

1 executive director of OHS, designated me to serve  
2 as -- well, previous acting director, Kimberly  
3 Martone, and new incoming director, Deidre  
4 Gifford, designated me to serve as hearing officer  
5 for this matter to rule on all motions and  
6 recommended filings of fact and conclusions of law  
7 upon completion of the hearing.

8           Section 149 of Public Act No. 21-2, as  
9 amended by Public Act No. 22-3, authorizes the  
10 agency to hold a public hearing by means of  
11 electronic equipment. In accordance with this  
12 legislation, any person who participates orally in  
13 an electronic meeting shall make a good faith  
14 effort to state your name and title at the onset  
15 of each occasion that such person participates  
16 orally during an uninterrupted dialogue or series  
17 of questions and answers. We ask that all members  
18 of the public mute their device they are using to  
19 access the hearing and silence any additional  
20 devices around them.

21           This public hearing is held pursuant to  
22 Connecticut General Statutes, Section  
23 19a-639a(f)(2) of the general statutes, and it  
24 provides that HSP may hold a public hearing with  
25 respect to any CON application submitted under

1 Chapter 368z. This notice of hearing may be  
2 issued pursuant to that statute -- or, sorry, this  
3 notice of hearing was issued pursuant to that  
4 statute. Although this will be a discretionary  
5 hearing that is not governed by the contested  
6 cases provision found under 54 -- or found in  
7 Chapter 54 of the general statutes, also known as  
8 the UAPA, and the regulations of Connecticut State  
9 Agencies, Section 19a-9-24, the manner in which  
10 OHS will conduct this proceeding will be guided by  
11 those statutes and regulations.

12 The Office of Health Strategy staff is  
13 here to assist me in gathering facts related to  
14 this application and will be asking the  
15 applicants' witnesses questions. I'm going to ask  
16 each staff person assisting with questions today  
17 to identify themselves with their name, spelling  
18 of their last name, and OHS title.

19 MR. LAZARUS: Good morning. Steven  
20 Lazarus, L-a-z-a-r-u-s. I am the certificate of  
21 need program supervisor.

22 MS. RIVAL: Jessica Rival, R-i-v-a-l,  
23 and I am a healthcare analyst with the Office of  
24 Health Strategy.

25 HEARING OFFICER NOVI: All right. Also

1 present today is Mayda Capozzi, a staff member for  
2 our agency who is assisting with the hearing  
3 logistics and will gather the names for public  
4 comment.

5           The certificate of need process is a  
6 regulatory process, and as such, the highest level  
7 of respect will be accorded to the applicant,  
8 members of the public and our staff. Our priority  
9 is the integrity and transparency of the process.  
10 Accordingly, decorum must be maintained by all  
11 present during these proceedings.

12           This hearing is being transcribed and  
13 recorded, and the video will be made available on  
14 the OHS website at its YouTube account. All  
15 documents related to this hearing have been or  
16 will be submitted to the Office of Health  
17 Strategy -- sorry, all dockets related to this  
18 hearing that have been or will be submitted to the  
19 Office of Health Strategy are available for review  
20 through our certificate of need, CON, portal which  
21 is accessible on the Office of Health Strategy CON  
22 webpage.

23           In making my decision, I will consider  
24 and make written findings in accordance with  
25 Section 19a-639 of the Connecticut General

1 Statutes.

2 Lastly, as Zoom hopefully notified you  
3 in the course of entering this hearing -- oh,  
4 sorry, I have to apologize. The recording is not  
5 on. We are going to start recording shortly.

6 Okay. I don't know if we have to go  
7 back and repeat my entire introduction. Attorney  
8 for the applicant, are you okay without me  
9 repeating the entire introduction?

10 MS. FELDMAN: Absolutely.

11 HEARING OFFICER NOVI: Thank you. All  
12 right. As you have just been notified, and I have  
13 too by our host, Zoom, this hearing is being  
14 recorded. I wish to point out that by appearing  
15 on camera in this virtual hearing, you are  
16 consenting to being filmed. If you wish to revoke  
17 your consent, please do so at this time.

18 The CON portal contains the prehearing  
19 table of record in this case. At the time of its  
20 filing, Monday, exhibits were identified in the  
21 table from A to U. The applicant is hereby  
22 noticed that I am taking administrative notice of  
23 the following documents, the Statewide Health  
24 Facilities and Services Plan, the Facilities and  
25 Services Inventory, the OHS acute care hospital

1 discharge database, and the All-Payer Claims  
2 Database claims data.

3 I also wish to take notice of two  
4 pending CON applications from the same applicant,  
5 the first being 20-32411-CON, HHC Surgery Center  
6 Holdings, LLC and Southwest Connecticut Surgery  
7 Center, LLC; and two, the second hearing being  
8 21-32423-CON, Hartford HealthCare Corporation  
9 d/b/a HHC Surgery Center Holdings and Surgery  
10 Center of Fairfield County, LLC and SCA, the  
11 Connecticut Partners LLC. I know that the hearing  
12 officer in that hearing also took administrative  
13 notice of our hearing as well in his order.

14 I will also be taking administrative  
15 notice of the hospital system's HRS data or  
16 financial and utilization data, and also prior OHS  
17 decisions, agreed settlements and determinations  
18 that may be relevant to this matter.

19 Counsel for the applicants, can you  
20 please identify yourself for the record.

21 MS. FELDMAN: Surely. My name is Joan  
22 Feldman, and I am an attorney with Shipman &  
23 Goodwin. Thank you.

24 HEARING OFFICER NOVI: Thank you very  
25 much.



1 All right. In addition to those  
2 exhibits listed in the table of record, a public  
3 comment file may be added which will be updated  
4 from time to time.

5 Attorney Feldman, do you have any  
6 additional exhibits you wish to enter at this  
7 time?

8 MS. FELDMAN: No, I do not, but I would  
9 like to reserve the right to comment on some of  
10 the utilization data, including but not limited to  
11 the APCD, All-Payer Claims Database information  
12 that you'll be reviewing.

13 HEARING OFFICER NOVI: Okay. All  
14 right. It will be entered and used, as needed, if  
15 needed, by me.

16 MS. FELDMAN: Okay.

17 HEARING OFFICER NOVI: All right. So  
18 we will proceed in the order established by the  
19 agenda for today's hearing. I'd like to advise  
20 the applicants that we may ask questions related  
21 to your application that you feel have already  
22 been addressed. We will do this for the purpose  
23 of ensuring that the public has knowledge of your  
24 proposal and for the purpose of clarification. I  
25 want to reassure you that we have reviewed your

1 application, the completeness responses, the  
2 prefiled testimony, and I will do so many times  
3 before issuing a decision.

4 As this hearing is being held  
5 virtually, we ask that all participants, to the  
6 extent possible, should enable use of video  
7 cameras when testifying or commenting during  
8 proceedings. All participants should mute their  
9 devices and should disable their cameras when they  
10 go off record or take a break. Please be advised  
11 that we will try to shut off the hearing recording  
12 during breaks, but it may continue. If the  
13 recording is on, any audio or video not disabled  
14 will be accessible to all participants in the  
15 hearing.

16 Public comment taken during the hearing  
17 will likely go in the order established by OHS  
18 during the registration process. However, I may  
19 allow public officials to testify out of order. I  
20 or OHS staff will call each individual by name  
21 when it is his or her turn to speak. Registration  
22 for public comment will take place at 2 p.m. and  
23 is scheduled to start at 3 p.m. If the technical  
24 portion of this hearing is not completed by 3  
25 p.m., public comment may be postponed until the

1 technical portion is complete. The applicants'  
2 witnesses must be available after public comment  
3 as OHS may have follow-up questions based on  
4 public comment.

5 Are there any housekeeping matters or  
6 procedural issues you would like to address before  
7 we start, Ms. Feldman, or Attorney Feldman?

8 MS. FELDMAN: Just, yes, one. In all  
9 due respect, I think it would be incorrect to  
10 refer interchangeably to Hartford HealthCare  
11 Surgical Holdings as Hartford Hospital. It is  
12 not. Hartford HealthCare, as you may know, is a  
13 very -- has more than one hospital in the State of  
14 Connecticut so --

15 HEARING OFFICER NOVI: Is it okay if I  
16 refer to it as HHC then?

17 MS. FELDMAN: Perfect. Perfect.

18 HEARING OFFICER NOVI: All right. We  
19 will refer to you as HHC.

20 MS. FELDMAN: Thank you.

21 HEARING OFFICER NOVI: All right. Is  
22 there an opening statement from the applicant?

23 MS. FELDMAN: Yes, there is.

24 HEARING OFFICER NOVI: Go ahead.

25 MS. FELDMAN: First of all, good

1 morning, Hearing Officer Novi. It's so nice to  
2 meet you. And it's lovely to see again OHS staff,  
3 and we appreciate your efforts and time this  
4 morning.

5 Today we're before you with an  
6 application that was first submitted to OHS  
7 approximately two years ago. Specifically, it's a  
8 proposal for Litchfield Hills ASC to transfer 51  
9 percent of its equity interest to HHC Surgical  
10 Holdings. Given the amount of time that has  
11 passed, we realize that some of the data will need  
12 updating by way of Late-Files. However, none of  
13 the underlying rationale and assumptions relating  
14 to this application have changed.

15 As you know, this is an application for  
16 approval for HHC Surgical Holdings to become the  
17 equity owner in Litchfield ASC. This is not an  
18 application for a new ASC and whether or not  
19 there's a need for an ASC because that has  
20 previously been established. The applicants  
21 understand what OHS must consider in its review of  
22 this application, enhance patient access, lower  
23 cost and improved quality and outcomes; therefore,  
24 my opening comments, Dr. Spero's and Ms. Sassi's  
25 testimony will focus on addressing these key

1 points.

2 First, I just want to provide some  
3 essential background. I can't state this enough,  
4 but commercial and governmental payers are  
5 requiring hospitals to provide lower-cost  
6 alternatives to hospital-based care. How are they  
7 doing this? How are they requiring this? They  
8 are doing this through their plan design.  
9 Specifically, if you were to look at any local  
10 coverage determination guidelines or policies on  
11 the websites of payers, the plans no longer cover  
12 hospital-based surgeries if the same procedure can  
13 be safely performed in a lower-cost ASC. I will  
14 say that's to the exception with respect to  
15 Medicaid, and I will discuss that later, if you  
16 like.

17 This means that many health plans are  
18 no longer covering many surgeries that  
19 historically had been provided in inpatient  
20 settings only. Hartford HealthCare as a system,  
21 health care system, has been committed to  
22 providing lower-cost alternatives to  
23 hospital-based medical care prior to these  
24 coverage evolution by plans. Specifically, HHC  
25 through HHC Surgical Holdings has been

endeavoring, as you may know, to provide its patients access to a high-quality ambulatory care network. As you also know, the Litchfield ASC has served the Torrington and surrounding communities for 17 years.

HHC shares a similar commitment to this very same community through its ownership of Charlotte Hungerford Hospital. You will hear this morning from Dr. Spero all of the reasons why Litchfield Hills ASC desires to partner with HHC. Based upon the three rounds of completeness questions, the focus is evidently on cost and access. But I must say that any cost increases that may be projected are a byproduct of comparing an ASC with less complex procedures with an ASC with very complex procedures. While the applicants have not shared rate data as prohibited by law and contractual obligations, the cost of providing a modern technologically advanced and fully integrated ASC will still be significantly lower than the cost of providing hospital-based services.

Should the proposal be approved, the ASC is expected to recruit three new orthopedic surgeons who will transfer their cases from

1 Charlotte Hungerford Hospital to the ASC. One of  
2 those surgeons is a spine surgeon, one is a hand  
3 surgeon, and one is a sports medicine surgeon.  
4 All surgeons will comply with Hartford  
5 HealthCare's financial assistance policy, also  
6 known as its charity care policy. This  
7 partnership is in pursuit of the triple aim,  
8 improving the patient experience, improving the  
9 health of the population served, and reducing the  
10 cost of care. There are so many benefits to  
11 discuss, so I will now turn to Dr. Spero. Thank  
12 you.

13 HEARING OFFICER NOVI: Thank you. I  
14 just want to clear up, I am taking notes down to  
15 the right. So if you see me looking off to the  
16 right, I'm just taking notes. I am still paying  
17 attention.

18 MS. FELDMAN: Thank you.

19 HEARING OFFICER NOVI: All right. At  
20 this point, I would like to ask, Attorney Feldman,  
21 if you could please identify all individuals by  
22 name and title who are going to testify on behalf  
23 of the application, and they should each -- are  
24 they in the room with you or would they need to  
25 turn their cameras on?

1 MS. FELDMAN: There are two individuals  
2 who will be providing testimony today, Dr. Lane  
3 Spero from Litchfield Hills Ambulatory Surgery  
4 Center and Ms. Donna Sassi, vice president of  
5 integration for Hartford HealthCare.

6 HEARING OFFICER NOVI: All right. Are  
7 these the individuals sitting to your left and  
8 your right?

9 MS. FELDMAN: Dr. Spero is to my --  
10 right here. I don't want to mess up left to  
11 right.

12 HEARING OFFICER NOVI: I understand.

13 MS. FELDMAN: And Donna Sassi is right  
14 here.

15 HEARING OFFICER NOVI: Perfect. So I  
16 don't need to ask them to turn on their cameras.  
17 All right. Thank you very much.

18 If I could have you both raise your  
19 right hands, I will swear you in right now.

20 L A N E D. S P E R O,

21 D O N N A S A S S I,

22 having been first duly sworn (remotely) by  
23 Hearing Officer Novi, testified on their  
24 oaths as follows:

25 HEARING OFFICER NOVI: All right.



1 Thank you. Go ahead and put your hands down. All  
2 right. When giving your testimony, please make  
3 sure you say your full name and adopt any written  
4 testimony that you have submitted on record prior  
5 to testifying today. The applicants may now  
6 proceed with their testimony. And I ask that you  
7 define any acronyms that you use for the benefit  
8 of the public and clarity of the record, okay?  
9 All right. You may proceed.

10 THE WITNESS (Spero): Good morning,  
11 Attorney Novi and the rest of the OHS staff. I  
12 would like to adopt my prefile testimony.

13 HEARING OFFICER NOVI: Thank you.

14 THE WITNESS (Spero): Thank you for the  
15 opportunity to present this CON application for  
16 Hartford HealthCare and my surgery center,  
17 Litchfield Hills Ambulatory Surgery Center. And  
18 we're in the Torrington area, and we are the only  
19 surgery center in Torrington. As Attorney Feldman  
20 stated, there's also Charlotte Hungerford  
21 Hospital. And my focus today will be on the  
22 change of ownership from Hartford and Litchfield  
23 Hills Surgery Center.

24 Right now we provide care, very  
25 high-quality care in the surgery center, but as

1 health care progresses, there's more and more  
2 systems that need to be included in order to be  
3 able to provide that high care. Hartford  
4 HealthCare has a lot of experience in this area,  
5 and that is why we've chosen to partner with them.

6 Presently, we take both commercial and  
7 governmental payers, so we will continue to do  
8 that even with this partnership. The idea is to  
9 decrease the overall cost of the care from the  
10 hospital to the ambulatory surgery center and at  
11 the same time provide a high quality of care.

12 We've had a lot of success over the  
13 last 17 years, along with multiple partners that  
14 are in the surgery center and other physicians,  
15 and we want to continue that success. And we  
16 understand that there are more procedures that  
17 need to be followed in order to continue that  
18 success.

19 As with health care, procedures have  
20 progressed, equipment has progressed. And we're  
21 physicians. We need help in order to be able to  
22 continue that high quality of care for all of our  
23 patients and expand that care to the rest of  
24 Torrington. As Attorney Feldman stated, there are  
25 other physicians in the community that would also

1 like to bring their patients to an ambulatory  
2 setting. There are protocols for infectious  
3 control and other regulatory protocols that we are  
4 not experts in but Hartford HealthCare has  
5 expertise in and would be very insistent in  
6 maintaining those protocols.

7 HEARING OFFICER NOVI: Dr. Spero, I  
8 apologize, I'm going to interrupt you for a  
9 second. If you could please state your name and  
10 then spell your last name. That has not been  
11 stated for the record.

12 THE WITNESS (Spero): I apologize.  
13 Lane Spero. My last name is S-p-e-r-o.

14 HEARING OFFICER NOVI: Continue with  
15 your testimony. I do apologize.

16 THE WITNESS (Spero): Okay. There are  
17 many other choices in the environment in which to  
18 partner with, but because of the expertise that  
19 Hartford HealthCare brings to the table, that is  
20 why we've chosen to partner with Hartford  
21 HealthCare.

22 Presently, we provide orthopedic and  
23 related orthopedic procedures, pain management  
24 procedures, and we will continue to provide that  
25 care in the ambulatory surgery center with

1 Hartford HealthCare.

2           There is also other procedures within  
3 Hartford HealthCare that we wouldn't have access  
4 to because they're a larger health care system  
5 that from their hospital system, from their other  
6 ambulatory surgery systems that we would have  
7 access to by partnering with Hartford HealthCare.  
8 Like their medical record, Epic, which really  
9 helps in the overall health care of the patient to  
10 be comprehensive in tests, in reports, procedures  
11 and such that they have access to right on their  
12 phone.

13           We presently participate in both  
14 Medicare and Medicaid services and will continue  
15 to participate in those services even after the  
16 merger.

17           I just want to stress that the point of  
18 this merger is to increase the quality of care,  
19 increase it to more people within the community,  
20 and bring them another choice, potentially, or a  
21 cheaper or more cost-effective choice within the  
22 Torrington area.

23           Thank you very much for accepting my  
24 testimony.

25           HEARING OFFICER NOVI: Okay. Thank you

1 very much.

2 THE WITNESS (Sassi): Hello. My name  
3 is Donna Sassi, S-a-s-s-i. Good morning, Attorney  
4 Novi, and members of the OHS staff. Again, my  
5 name is Donna Sassi. My role is vice president of  
6 partnership integration for Hartford HealthCare  
7 Corporation. At this time, I'd like to adopt my  
8 prefile testimony, please.

9 HEARING OFFICER NOVI: Thank you.

10 THE WITNESS (Sassi): Thank you for the  
11 opportunity to speak this morning in support of  
12 the Certificate of Need application for HHC  
13 Surgery Center Holdings to acquire 51 percent  
14 membership interest in Litchfield Hills Ambulatory  
15 Surgery Center. My focus today is going to be on  
16 the value contributions that HHC Surgery Center  
17 Holdings will make and deliver to the Litchfield  
18 Hills Surgical Center and community that they  
19 serve. I also want to share that this proposal is  
20 very critical to Hartford HealthCare's mission of  
21 providing the highest quality equitable and most  
22 cost-effective care to the patients in the  
23 communities that we serve.

24 With the goal of highest quality and  
25 most cost-effective care for our patients,

1 Hartford HealthCare over the last five years has  
2 been very proactive in disrupting our historically  
3 hospital-based services and driving care to  
4 lower-cost settings. So what that means is  
5 everyone who had ambulatory services from  
6 radiology to urgent care to endoscopy services and  
7 ambulatory surgeries, they would have to go to an  
8 acute care hospital. And so what we have done is  
9 created a network of care within the communities  
10 that the patients live and work in.

11           And we have been successful in doing so  
12 in creating all these joint ventures and  
13 ambulatory services, as I listed, because of our  
14 partnerships with the community providers or  
15 experts in radiology. So we have been successful,  
16 and that's evidenced by our patient experience  
17 scores being in the top decile, as well as we were  
18 recognized this year in 2020 by Leapfrog for  
19 having two of our centers be in the top 12 in the  
20 nation for quality and safety. And, you know,  
21 during these last few years as we built this  
22 network of ambulatory care, what we realize today  
23 is nearly 40 percent of all the surgeries being  
24 done in Hartford HealthCare are now being done in  
25 a footprint that's outside of the hospitals.

1                   When we look at the cost of lowering  
2 the cost of care, what we're talking about is that  
3 we are lowering costs for surgery and endoscopies  
4 between 25 and 40 percent.

5                   HEARING OFFICER NOVI: Can I pause you,  
6 because I would like to just make sure I got that.  
7 You said 25 and what?

8                   THE WITNESS (Sassi): 25 to 40 percent  
9 lower cost in the ambulatory setting as opposed to  
10 the acute care hospital-based outpatient  
11 departments.

12                  HEARING OFFICER NOVI: Thank you.

13                  THE WITNESS (Sassi): And, you know,  
14 the payers and the patients, because of the lower  
15 cost, benefit from this, but overall our health  
16 care system in the communities at large benefit  
17 from it too. And the reason being is that the  
18 hospitals are congested, and we are decanting  
19 cases and increasing capacity for the acute care  
20 hospitals to take care of the more acute patients.

21                  So as I had mentioned, we've had very  
22 good success, but what I'm most proud of is that  
23 we are able to build superior care, high-quality  
24 clinical care by partnering with our ambulatory  
25 surgery centers. We're doing this by

1 standardizing care, so any patient that goes into  
2 any Hartford HealthCare facility is going to get  
3 the same level of care. We're doing this by  
4 standardizing policies and procedures, whether  
5 they be infection control or they be charitable  
6 care policies or, you know, medical office  
7 standardization of, you know, credentialing and  
8 how we manage new procedures. In other words, the  
9 experts at the acute care hospital have already  
10 credentialed and know the criteria for physicians  
11 to have in order to be credentialed for new  
12 procedures in the ambulatory settings. So we use  
13 that historical and evidence-based knowledge to  
14 create the same environment in our ambulatory  
15 surgery centers.

16 Through this partnership we have  
17 offered exceptional and modern clinically advanced  
18 surgery centers, and we've done that because we  
19 have the capital to be able to invest in the new  
20 technology that is required to do these more acute  
21 cases. Again, like Dr. Spero mentioned, care  
22 coordination is better because we have a  
23 commitment from our partners to go live with Epic  
24 in our centers. They might not have been able to  
25 go live with Epic if it had not been for this



1 partnership because we are able to financially  
2 support that endeavor.

3           You know, through Hartford HealthCare's  
4 partnership, the centers are run efficiently and  
5 provide patients high quality, lower-cost care.  
6 As we look forward in the future, we know that the  
7 payers and government are going to increase the  
8 number of cases that move from the acute care  
9 setting to the ambulatory centers. And without  
10 this partnership with LHO, they might not have  
11 been able to be as prepared as we will make them  
12 to receive and manage these patients at a higher  
13 level of quality and safety.

14           I had mentioned a couple of things that  
15 we bring to the table as far as benefits to our  
16 partners. I just would like to go over a few  
17 other things that we do provide for our partners.  
18 We have evidence-based performance benchmarks and  
19 data that we track and trend the performance of  
20 our centers. We work with them for improvement  
21 processes. We provide them access to education  
22 and simulation, which the importance of that is so  
23 great. When we have new technology, we prepare  
24 the teams in a safe setting. Physicians can go up  
25 and, you know, test new technology. And so that

1 is a good benefit that we bring.

2 As well as our group purchasing  
3 organization. We are able, because of our scale,  
4 to be able to shift our supplies to help support  
5 our ambulatory surgery centers. Every day we're  
6 faced with national shortages and backorders. And  
7 for example, the most recent thing that we were  
8 able to help our ambulatory surgery centers with  
9 is there is a testing machine that all Autoplates  
10 have to be tested for biologics, and their machine  
11 to process the test tube was broken. They had put  
12 an order in for a new machine. It was going to be  
13 at least three months. So Hartford Healthcare was  
14 able to provide them with a loaner so it didn't  
15 disrupt the schedule for the patients. We could  
16 continue to provide patients in the community what  
17 they needed, and we were able to have operations  
18 as normal. So it was a true testament to how our  
19 partnerships can enhance and support our  
20 ambulatory surgery centers.

21 Going live with Epic, as Dr. Spero  
22 mentioned, helps the physicians and providers at  
23 their fingertips and at the site of care they'll  
24 have access to critical information about a  
25 patient's allergies, medications. Have you ever

1 gone to the doctor and forgot to give them the med  
2 that you're on? This is the quality and safety  
3 that it ensures for our patients. So we are on  
4 that Epic journey and implementation for our  
5 centers and will be with our partnership with LHO.

6 We talked a little bit about preparing  
7 patients for surgery. We are able to have  
8 dedicated experts in our preadmission centers be  
9 able to sit with patients, be able to get them  
10 ready from education to testing, and also have  
11 anesthesia, be able to put a plan together that's  
12 appropriate for that patient.

13 We talked about capital being able to  
14 enhance what we need at our centers because of our  
15 capital contributions. And, you know, although  
16 this is representative of a small number of things  
17 that we benefit, we provide benefits for the  
18 ambulatory surgery centers, you know, in the end  
19 it is the most cost-effective highest quality of  
20 care that we can provide.

21 So we talked about that our centers  
22 will all participate in our Financial Assistance  
23 Policy, and we also shared today and are committed  
24 to, you know, continuing to care for the under and  
25 uninsured patients, the Medicare and Medicaid

1 population specifically, as well as we will make  
2 sure it's equitable care. We will do that through  
3 our standardization of the policy for CLAS,  
4 Culturally and Linguistically Appropriate  
5 Services, we will make sure everybody is treated  
6 and understands what kind of care they're getting  
7 no matter what language or culture they come from.

8           So in summary, both our commercial and  
9 governmental payers are leading the national  
10 initiative for our hospitals to move care from the  
11 hospital to an ambulatory setting. Hartford  
12 HealthCare is committed to establishing a network  
13 of ambulatory settings that offer lower-cost  
14 alternatives to hospital-based care consistent  
15 with the high level of care patients receive from  
16 the acute care hospitals within Hartford  
17 HealthCare. The transfer of care, you know, we  
18 are creating an environment that really patients  
19 have access, that's equitable, and in the end is  
20 cost effective, and we will provide that for the  
21 Litchfield Hills Ambulatory Surgery Center  
22 patients if this partnership is approved.

23           I want to thank you for this time to  
24 testify, and I'm available for any questions that  
25 you need.

1 HEARING OFFICER NOVI: All right.  
2 Attorney Feldman, do you have any follow-up you'd  
3 like from either of your witnesses?

4 MS. FELDMAN: Well, based on Ms.  
5 Sassi's testimony, it sounds to me like the FAA  
6 needs to partner with HHC also.

7 HEARING OFFICER NOVI: I think they may  
8 want to look into that.

9 All right. So at this point, we would  
10 now go to questions from our department, but I  
11 would like to see, Mr. Lazarus, would you like to  
12 take a quick break before we head into our round  
13 of questioning?

14 MR. LAZARUS: If we can take a  
15 five-minute break, that will be great.

16 HEARING OFFICER NOVI: Okay. Let's  
17 give ten minutes. Are we okay with meeting back  
18 here at 10:20, is that okay with you, Attorney  
19 Feldman?

20 MS. FELDMAN: That's great. Thank you.

21 HEARING OFFICER NOVI: We will now  
22 break for ten minutes, and I will see everybody  
23 back here at 10:20. Thank you.

24 (Whereupon, a recess was taken from  
25 10:09 a.m. until 10:19 a.m.)

1 HEARING OFFICER NOVI: All right. As  
2 you were just informed by the beautiful Zoom  
3 voice, we are now recording again. It is 10:20  
4 a.m. We are back from our break. At this time,  
5 we will continue with the evidence portion, and  
6 OHS will begin with their questions. And I see  
7 that both witnesses for the applicant are present.

8 MS. RIVAL: Hello. Again, I'm Jessica  
9 Rival from the Office of Health Strategy. I have  
10 a few questions for you today. I will leave it up  
11 to you as to who is the best person to answer each  
12 question. First, given the long history of  
13 operating at the current location in Torrington,  
14 why is now the appropriate time for Hartford  
15 HealthCare Surgery Center Holdings to acquire 51  
16 percent of the Litchfield Hills Surgery Center?

17 THE WITNESS (Spero): That's a very  
18 good question. We've had a lot of success with  
19 our surgery center, but as health care has become  
20 more complex with the regulatory environment, with  
21 the technology, we are expert physicians, but  
22 we're not administrators. And so we take care of  
23 patients, and we need help with the other sorts of  
24 things that go on with running a health care  
25 facility. And Hartford HealthCare has that

1 expertise already in the making. They already do  
2 it for their hospitals, and that will just expand  
3 to our surgical center.

4 MS. RIVAL: Okay. So there was no  
5 particular event that triggered the CON proposal?

6 THE WITNESS (Spero): Well, I think  
7 during COVID that was an event that sort of made  
8 us sit back and say, look, this is, we need help  
9 in order to manage the health care in general.  
10 And, in fact, had we been part of Hartford  
11 HealthCare, we would have been able to offer  
12 assistance for patients needing ventilators,  
13 needing the treatments during COVID, but because  
14 we're an independent center, we weren't able to  
15 perform those services.

16 MS. RIVAL: What are the applicants'  
17 long-term strategic plans for the provision of  
18 health care services in the proposed service area,  
19 including any plans to reduce, eliminate or expand  
20 services?

21 THE WITNESS (Sassi): We have no plans  
22 to reduce or to eliminate services. Our strategic  
23 plan is based on lowering the cost of care and  
24 providing access, again, in the communities in  
25 which the patients live away from the acute care

1 hospital.

2 MS. RIVAL: What about expanding  
3 services, are there any current plans?

4 MS. FELDMAN: Can you, this is Attorney  
5 Feldman. Can you, Ms. Rival, just specify what  
6 you mean? Do you mean by increasing the number of  
7 ORs or the specific services performed at the  
8 surgery center?

9 MS. RIVAL: The specific surgeries at  
10 the surgery center.

11 MS. FELDMAN: I think earlier I may  
12 have misspoke when I said that the third surgeon  
13 is -- I think I said a spine surgeon, hand surgeon  
14 and sports medicine. Actually, it's not a hand  
15 surgeon that's coming but a foot and ankle  
16 orthopedic surgeon. So that will be a new  
17 procedure that will be offered.

18 MS. RIVAL: Okay.

19 HEARING OFFICER NOVI: I have a  
20 follow-up, actually. Ms. Sassi, you mentioned  
21 that you are looking to move more services out of  
22 the acute care setting and into the ambulatory  
23 setting. What does that process look like, and  
24 what would it entail for an ambulatory surgery  
25 center like Litchfield?



1           THE WITNESS (Sassi): What we know is,  
2 is that more and more case types, different case  
3 types that are traditionally today done in a  
4 hospital will be moving out to the ambulatory  
5 surgery center driven by government payers'  
6 request. And so when we talk about service, when  
7 I was talking about services, it included all of  
8 the ambulatory services, urgent care and surgery,  
9 as well as radiology services. And so, but today  
10 being focused on the ASC itself and Litchfield  
11 Hills, we would expand access to providers or  
12 cases that are currently not being done but now  
13 need to be done in that setting.

14           MR. LAZARUS: This is Steve Lazarus.  
15 Just to follow up on something you mentioned  
16 earlier. You mentioned as part of your strategic  
17 plan, when you talk about a strategic plan, are  
18 you talking about Hartford HealthCare's strategic  
19 plan for the service area or are you talking about  
20 just for the facility?

21           THE WITNESS (Sassi): Is this a  
22 question?

23           MR. LAZARUS: Yes.

24           THE WITNESS (Sassi): Yeah, it's really  
25 about, when I talked about the ambulatory

1 footprint, it was Hartford HealthCare's overall  
2 strategic ambulatory strategy which is part of our  
3 network of care, and we're adding an ambulatory  
4 surgery center to that. Today we're focused on  
5 adding the ambulatory surgery center piece to that  
6 network that they built.

7 MR. LAZARUS: Okay. Thank you.

8 MS. RIVAL: Is Litchfield Hills  
9 Surgical Center at risk of closure due to  
10 financial or any other reasons at this time?

11 THE WITNESS (Spero): No.

12 MS. RIVAL: Does the center currently  
13 charge any facility fees?

14 THE WITNESS (Spero): Yes, we charge a  
15 facility fee. The performance of surgery, the  
16 nurses that work there, the implants that we --  
17 we're an orthopedic surgery center, okay, so we  
18 perform surgeries that involve a lot of implants.  
19 The costs of those medical supplies, those  
20 implants, the nurses, all of those are involved in  
21 the facility fee.

22 MS. RIVAL: Is the facility fee  
23 expected to be increased with the proposal?

24 THE WITNESS (Spero): No.

25 HEARING OFFICER NOVI: I'm sorry, was

1 that a "No"?

2 THE WITNESS (Spero): "No."

3 HEARING OFFICER NOVI: Okay.

4 MS. FELDMAN: Yes, it was a "No."

5 HEARING OFFICER NOVI: Okay. Thank  
6 you. Little semantics. And it never moved off  
7 Jessica, so I had to just hear this voice  
8 without a -- all right.

9 MS. RIVAL: Did the applicants  
10 anticipate initiating the imposition of facility  
11 fees under the new entity?

12 MS. FELDMAN: Ms. Rival, so just to  
13 clarify, currently ASCs charge a fee for the  
14 overhead component or technical component of the  
15 surgery, just like a hospital charges its fee, and  
16 then the physicians charge a separate fee. So  
17 that's not going to change. Is that --

18 MS. RIVAL: Yes. I just wanted to  
19 ensure the continuity that yes there's a fee and  
20 yes it's not going to change with the acquisition.

21 MS. FELDMAN: Correct.

22 THE WITNESS (Spero): Right.

23 MS. RIVAL: Transfers of ownership of a  
24 standalone facility to a larger entity result in  
25 fewer standalone unaffiliated entities. Can you

1 please describe how this will not have a negative  
2 impact on the diversity of ASC entities in the  
3 geographic region?

4 THE WITNESS (Spero): There are no  
5 other ambulatory surgery centers in our region.

6 HEARING OFFICER NOVI: So you are the  
7 only one?

8 THE WITNESS (Spero): We are the only  
9 one.

10 HEARING OFFICER NOVI: Do you know  
11 where the next closest one is?

12 THE WITNESS (Spero): Waterbury?  
13 Naugatuck, Naugatuck.

14 HEARING OFFICER NOVI: All right.

15 MS. RIVAL: Page 28 of Exhibit S reads,  
16 In order to facilitate the shift of appropriate  
17 surgical cases to the ambulatory setting, the  
18 applicants' plan to recruit three new orthopedic  
19 surgeons to join the medical staff once the  
20 application is approved, along with a podiatrist  
21 and two pain management physicians, which my  
22 understanding --

23 MS. FELDMAN: Excuse me, Ms. Rival.  
24 Can you please restate where you're looking?

25 MS. RIVAL: Page 28 of Exhibit S. And

1 it starts, In order to facilitate the shift of  
2 appropriate surgical cases to the ambulatory  
3 setting.

4 MS. FELDMAN: I'm sorry, we're just  
5 trying to catch up with you.

6 MS. RIVAL: Sure. Take your time,  
7 please.

8 MS. FELDMAN: If your question is just  
9 a question and you're not referring to a table, we  
10 are having some trouble catching up with you, but  
11 I think if it's not a specific table, we can try  
12 to answer.

13 MS. RIVAL: Okay. I don't think you  
14 even need to really refer to the exhibit at this  
15 point.

16 MS. FELDMAN: Okay.

17 MS. RIVAL: In the hearing testimony  
18 you had stated that the makeup of the doctors that  
19 will be joining is different than what was  
20 originally presented in the original application.  
21 My question was, because of the makeup of the new  
22 doctors that will be acquired by the practice,  
23 won't this result in a change in referral patterns  
24 for the center?

25 MS. FELDMAN: I think there might be

1 some confusion from a statement I made. At the  
2 time that the application was submitted, there was  
3 a plan to recruit new surgeons. Specific surgeons  
4 and their subspecialties had not yet been  
5 identified. Today, as we look forward, we have in  
6 fact identified, you know, these three  
7 subspecialties in the field of orthopedic surgery.  
8 So there's not really been a change and it will --  
9 basically, these are Charlotte Hungerford Hospital  
10 affiliated surgeons who would be decanting from  
11 the hospital to the ASC. Is that responsive to  
12 your question?

13 MS. RIVAL: Yes, that answers my  
14 question.

15 MR. LAZARUS: So just to follow up,  
16 just to kind of clarify. So how many physicians  
17 are currently practicing at the ASC, and does that  
18 include the three additional in that number now,  
19 yeah, for now. And then if we can -- and perhaps  
20 you may want to give as a Late-File a list of all  
21 their specialties so we can correct that. So if  
22 we can have the numbers first.

23 THE WITNESS (Spero): There are five  
24 orthopedic surgeons that practice at the surgery  
25 center now. There are three additional orthopedic

1 surgeons that practice at Charlotte Hungerford  
2 Hospital, which is about a five mile drive from  
3 our office at the ambulatory surgery center.

4 MR. LAZARUS: Are they going to start  
5 performing procedures there or would they be  
6 practicing there full-time?

7 THE WITNESS (Spero): So they each have  
8 their own medical practice. And so the way an  
9 orthopaedic surgery practice works is we have a  
10 medical practice where we see patients from the  
11 community. And then if that patient needs to  
12 undergo some sort of surgery, wherever it would be  
13 appropriate for that patient to have surgery, we'd  
14 bring the patient either to a hospital setting, an  
15 ambulatory surgery setting or some procedures get  
16 done in the office, if that's appropriate. These  
17 three other physicians, the foot and ankle, the  
18 spine surgeon and the sports medicine surgeon,  
19 which are also, they're orthopedic surgeons with a  
20 subspecialty focus, those three practice only in  
21 the hospital. And so by this, by Hartford being  
22 involved, they would now bring those cases from  
23 the hospital to the ambulatory surgery center.

24 MR. LAZARUS: Okay.

25 HEARING OFFICER NOVI: Do -- I'm sorry.

1 Go ahead.

2 MR. LAZARUS: Go ahead.

3 HEARING OFFICER NOVI: I was just  
4 wondering, were these three doctors the only ones  
5 you are planning to bring into the surgery center  
6 or would there be additional as well?

7 THE WITNESS (Spero): There might be  
8 additional surgeons. Right now those three  
9 surgeons presently practice in Torrington.

10 HEARING OFFICER NOVI: Okay.

11 MS. FELDMAN: Yes, there, you know,  
12 based on need, there would be additional  
13 recruitment by the jointly-owned ASC based on the  
14 demand and need and the type of surgeon and  
15 succession planning and all of those factors that  
16 go into recruitment decisions.

17 HEARING OFFICER NOVI: That was my only  
18 question, Steve. Go ahead.

19 MR. LAZARUS: I was just going to  
20 suggest that perhaps, and this might be a little  
21 bit later on, we may want to get a revised  
22 utilization, projected utilization because now  
23 those might require updating with the three  
24 additional physicians. I think we'll do that  
25 separately. Thank you.



1 Ms. Rival.

2 MS. RIVAL: How will access to -- be  
3 improved, excuse me, for Medicaid patients in this  
4 service area as a result of the proposal?

5 THE WITNESS (Spero): Well, presently  
6 we accept both Medicare and Medicaid patients, and  
7 that won't change.

8 HEARING OFFICER NOVI: Can I ask a  
9 follow-up on that? How would Hartford HealthCare  
10 or how would HHC's charity care or what is HHC's  
11 charity care policy currently?

12 MS. FELDMAN: I believe it's in the  
13 main application, the charity care, financial  
14 assistance policy. As you may know, this is  
15 something that a tax exempt hospital is required  
16 to have. This policy that we've provided to you  
17 is quite comprehensive, and it focuses on  
18 eligibility criteria and the process of  
19 determining financial need based on the federal  
20 poverty guidelines. So it's quite expansive.  
21 And, you know, regularly it's going to be posted  
22 and patients are going to be informed about this  
23 as soon as they have any kind of interaction or  
24 thought of going to the ASC.

25 HEARING OFFICER NOVI: And how does

1 this policy differ from the current charity care  
2 policy in place at the Litchfield Hills Surgery  
3 Center?

4 THE WITNESS (Spero): We don't have a  
5 specific policy. It's on a case-by-case basis.

6 MS. FELDMAN: You know, I think that  
7 just to distinguish between the two, like some  
8 private physician practices -- most private  
9 physician practices do not have charity care  
10 policies. And they may on an individual basis  
11 work out a payment plan with patients, but it's  
12 not typically charity care as set forth in the  
13 Financial Assistance Policy which focuses on free  
14 care, reduced care, and things of that sort.

15 HEARING OFFICER NOVI: Okay. All  
16 right. Thank you. I'm sorry. Go ahead.

17 MS. RIVAL: Throughout the application  
18 and the prefile it has been asserted that there  
19 would be no changes or little change to any  
20 existing services, relocation, termination or  
21 addition at the proposed location. How will HHC's  
22 2022 Community Health Needs Assessment and  
23 corresponding implementation strategy plan impact  
24 future health services in the PSA?

25 THE WITNESS (Sassi): So what we know

1 about the community is, is that the population of  
2 65 and older is going to grow pretty high, one of  
3 the highest rates in Connecticut. So we want to  
4 be prepared to be able to manage that influx of  
5 patient needs related to orthopedic services.

6 MS. FELDMAN: Just to clarify, in terms  
7 of the Community Health Needs Assessment, that is  
8 in fact performed by Charlotte Hungerford  
9 Hospital. As you know, they identify the needs in  
10 the community and implement approaches to  
11 addressing those needs. And to the extent that  
12 there is something identified that would be  
13 compatible with patients moving or shifting to the  
14 ASC, of course that would be incorporated.

15 MS. RIVAL: Thank you. Have you  
16 developed or is there an existing transfer  
17 agreement with another health care provider, for  
18 example, Hartford HealthCare -- I mean Hartford  
19 Hospital, Charlotte Hungerford; and if so, can you  
20 provide us with a copy?

21 THE WITNESS (Spero): Presently there  
22 is a transfer agreement as required by the State  
23 of Connecticut to Charlotte Hungerford Hospital.

24 MS. RIVAL: And will that change at all  
25 with the --

1                   THE WITNESS (Spero): That will not  
2 change.

3                   MS. FELDMAN: I believe also,  
4 Ms. Rival, that it's part of the application, the  
5 transfer agreement, and that remains in place.

6                   MS. RIVAL: Great. Is there any plan  
7 to shift or transfer volumes or share equipment  
8 and staff between any HHC facilities in the PSA?

9                   THE WITNESS (Sassi): No.

10                  MS. RIVAL: Can you please discuss how  
11 the proposal will enhance quality of care for  
12 patients?

13                  THE WITNESS (Sassi): Yes. We  
14 discussed a few of the details in standardizing  
15 care. So that means every patient going into the  
16 Litchfield Hills Ambulatory Surgery Center will  
17 get the same level of quality and safe care that  
18 they would have gotten at any acute care hospital  
19 within HHC. We are committed to make sure that  
20 all of our centers are going to go live with Epic,  
21 and that's one medical record that will allow our  
22 providers to have critical information about  
23 patients at the site of care where the patient is.

24                  We also mentioned Leapfrog. All of our  
25 centers will participate in Leapfrog. And I did

1 mention that two of our centers were recognized  
2 this year and designated as top 12 in the country  
3 for quality and safety. So we will continue that  
4 journey with Litchfield Hills as it onboards with  
5 Hartford HealthCare, if this is approved.

6 We track specific quality data  
7 elements. We share best practices. We share, our  
8 system has what we call institutes, and what that  
9 is, is it's people dedicated to a service,  
10 cardiology, cancer care, and every day they come  
11 in and really are focused only on that service and  
12 how they can provide and create policies,  
13 procedures and protocols that are evidenced based.  
14 All of those are shared by the ASCs.

15 We have infection control policies that  
16 are immediately adopted by the centers. They  
17 adopt all our policies, but we prioritize the  
18 charitable care policies, the financial assistance  
19 policy, which is the same thing, and, you know,  
20 all of our care and all the expertise that we  
21 provide is all evidenced based, so it's best  
22 practice.

23 When we track and trend those data  
24 elements, they're all based on national standards,  
25 so what's the best in the country. And we want

1 to -- that's our goal. That's our low point of  
2 our goal. We want to be better, the best. And,  
3 you know, we focus on this every day. Every day  
4 as part of my role as the vice president for  
5 partnership integration, you know, my job is to  
6 assure that our partnerships really develop and  
7 deliver sustainable clinical services to our  
8 patients that are the highest quality, equitable  
9 and at the lowest cost possible.

10 MS. RIVAL: Can you just tell me  
11 approximately how long it takes to fully implement  
12 all these policies?

13 THE WITNESS (Sassi): You know, it  
14 really is, it takes time because what we do when  
15 we first get into the centers, we work together as  
16 a team, we prioritize, we do an assessment of the  
17 environment and compare it to what our standards  
18 are at acute care, and then we would map out a  
19 plan my goal would be one day, but, you know, we  
20 do work on that and partner with our newest  
21 partners to plan and to make the most appropriate  
22 priorities first.

23 HEARING OFFICER NOVI: I have some  
24 follow-up questions. Does LHSC currently have a  
25 paperless medical system?

1 THE WITNESS (Spero): Yes.

2 HEARING OFFICER NOVI: Are you using  
3 Epic right now?

4 THE WITNESS (Spero): No.

5 HEARING OFFICER NOVI: Okay. What  
6 would this change, how would this change affect  
7 the Litchfield Hills Surgery?

8 THE WITNESS (Spero): So Epic is much  
9 more comprehensive than the medical record that  
10 we're using. One of the key components of Epic is  
11 that the patient has their full medical record at  
12 hand. They don't have that with most other  
13 electronic medical records. And the medical  
14 record that we give patients is the medical record  
15 from our orthopedic practice. The medical records  
16 you get from Epic is the medical record from every  
17 practice that they go to and every physician that  
18 they see and every lab value that they obtain.  
19 They can even get information from outside of  
20 Hartford HealthCare to other systems. If they've  
21 been out of state and they sought medical care out  
22 of state, they can get that health information on  
23 their same Epic medical record that's on their  
24 smartphone.

25 HEARING OFFICER NOVI: How will Epic,

1 the move to Epic in Litchfield Hills Surgical  
2 Center improve patient care?

3 THE WITNESS (Spero): Because we will  
4 have more of the information at hand from their  
5 other providers in order to see red flags for  
6 different types of surgeries or procedures or  
7 problems that they have.

8 THE WITNESS (Sassi): Just in addition,  
9 when we have a standalone facility, it's really  
10 fragmented care. The reason it is, it's not  
11 connected to any care prior to. We don't know  
12 what that patient had for services or clinical  
13 needs that they might have had. And then post-op  
14 if there's any type of follow-up, if that patient  
15 meets with an expert, we can then send a message  
16 to a specialist within the computer and they will  
17 be connected once they leave with that expert and  
18 that expertise that they need. You know, care  
19 coordination is so important for safety and  
20 quality of our patients.

21 Have you ever gone to the doctor's with  
22 your -- or left the doctor's, you lost your  
23 paperwork, you're not really sure, or you got some  
24 instructions for a future procedure and you don't  
25 know what you did with it. Epic can store that



1 type of information, patient education as well as  
2 appointment schedules. It's much more efficient  
3 and, like I said, safe, more safe for the patient.

4 HEARING OFFICER NOVI: You also  
5 mentioned Leapfrog and participation in that, but  
6 I'm not -- you didn't actually give us a good  
7 understanding of what Leapfrog is. If you could  
8 just tell us.

9 THE WITNESS (Sassi): It's a consumer  
10 platform. It's designed for the consumer of  
11 health care. And what they do is they have  
12 quality metrics that are national metrics, and  
13 they follow them. And their database, actually  
14 Epic reads the data in and compares you to your  
15 peers. Leapfrog is voluntary. And what this is,  
16 is really about if you want to hold yourself  
17 accountable through transparency of your quality  
18 and safety data, you submit your data. And all of  
19 our centers are on that journey, our older  
20 centers, our legacy ones, once again, have  
21 submitted and two out of their centers were named  
22 and recognized by Leapfrog as having high-quality  
23 and safety measures in place.

24 So the consumer will go online. And  
25 Leapfrog is for the acute care hospital. And it's

1 really in a language that the consumer  
2 understands, like for the acute care hospitals  
3 it's A, B, C or D. So if your hospital is a D,  
4 you know that that's not a high-performing center.  
5 But for the ambulatory surgery centers it's new  
6 since 2017, and they are still on a rating scale,  
7 they have not gone to the A, B, C, D yet, but you  
8 can visually see, it's very clear and easy to  
9 understand for the consumer.

10 And, you know, once again, we hold our  
11 centers accountable to participate. We want to be  
12 transparent. We want to understand where we can  
13 improve. And so that will be part of the  
14 integration into Hartford HealthCare that they'll  
15 be required to participate in.

16 HEARING OFFICER NOVI: Thank you very  
17 much.

18 Ms. Rival.

19 MS. RIVAL: That concludes my  
20 questions.

21 HEARING OFFICER NOVI: I think I have,  
22 I have a few more questions, or actually, Steve,  
23 do you have any questions? I'm sorry.

24 MR. LAZARUS: Yes, actually I do have  
25 just a couple follow-up.

1                   So going back to the cost,  
2                   traditionally when any service is provided by a  
3                   freestanding facility, it tends to be lower cost  
4                   than providing it in a hospital. With Hartford  
5                   HealthCare acquiring this facility, how would this  
6                   impact the -- or how would this proposal impact  
7                   the cost to the consumers in the primary service  
8                   area?

9                   THE WITNESS (Sassi): It should not  
10                  affect the cost.

11                  MS. FELDMAN: I just want to clarify  
12                  that the applicants have not shared respective  
13                  data regarding costs so they are completely blind  
14                  with respect to what each party's costs are. We  
15                  do expect, if the application is approved, that  
16                  the center will be doing higher acuity cases,  
17                  which typically are reimbursed at a higher level.  
18                  But we have no expectation that it will negatively  
19                  impact the consumer. If anything, transferring or  
20                  decanting more cases from Charlotte Hungerford  
21                  Hospital to the surgery center will result, as Ms.  
22                  Sassi testified, in significant reductions in the  
23                  overall cost for the surgical procedures.

24                  MR. LAZARUS: Okay. So based -- for  
25                  Hartford HealthCare, so based on your experience

1 of acquiring other similar facilities, ambulatory  
2 surgery centers, what have you experienced -- what  
3 have those facilities experienced in costs pre and  
4 post-acquisition, have the costs traditionally  
5 stayed the same, have they increased, or have you  
6 seen the costs go down?

7 THE WITNESS (Sassi): So when we look  
8 at the traditional cases that are done in  
9 ambulatory surgery centers, it's not comparing  
10 apples to apples because, once again, we're  
11 getting a new migration of more acute cases. So  
12 if we were going to remove a skin cyst, not as  
13 high acuity as a total joint. And just the nature  
14 of that case requires implants which is a higher  
15 cost than my traditional case that has nothing to  
16 do with a total joint. So it's really about  
17 understanding like what that case, in particular,  
18 requires for surgery, and it really depends on  
19 each ASC that we have.

20 MR. LAZARUS: So based on your previous  
21 experience, Hartford Healthcare has not tracked  
22 costs at any of the ambulatory surgical facilities  
23 to see if the costs have increased or lowered or  
24 stayed the same for the same acuity level  
25 procedures?

1 MS. FELDMAN: I think to try to answer  
2 your question more precisely, I think what Donna  
3 Sassi is stating is that when Hartford integrates  
4 with a freestanding ASC, they each come to the  
5 table with a different cost structure based on  
6 their historic negotiations with payers. We do  
7 know that that particular area of Torrington is  
8 very, a depressed area. And in terms of, if you  
9 look at some of the data that's in the  
10 application, you'll see that it is a somewhat  
11 depressed area with a large percentage of people  
12 who are in need which makes Hartford HealthCare's  
13 integration here even more important.

14 You know, do the costs, is there a  
15 difference and do the costs go up? Well, first of  
16 all, we just heard significant testimony about the  
17 innovations and the enhancements that will be  
18 made, and those do have a cost. So there might be  
19 some increase in -- I assume you're talking about  
20 what the reimbursement might be, and we can't  
21 globally address that nor are we prepared to  
22 respond to that. But what we're talking about is  
23 making a more efficient cost-effective surgery  
24 center that is handling more complex cases.

25 For instance, at the ASC right now they

1 have a sprinkling of total joint cases performed  
2 there. We would expect the volume of those cases  
3 to go up significantly which is going to be  
4 reimbursed at a much higher rate. So there will  
5 be changes there in terms of revenue. But if  
6 you're asking us to generally say, we can't say  
7 that because we don't know their rates, we don't  
8 know whether the costs will go up. You're asking  
9 us whether based on our prior experience. I can't  
10 answer that question. And I think it's a little  
11 bit of an unfair question in that we're talking  
12 about going from, no offense, Dr. Spero, a Hyundai  
13 to a Porsche model of care. And so, yeah.

14 MR. LAZARUS: So --

15 THE WITNESS (Sassi): One thing we do  
16 know --

17 MR. LAZARUS: Go ahead. I'm sorry. Go  
18 ahead.

19 THE WITNESS (Sassi): One thing we do  
20 know is that the overhead in a hospital is much  
21 higher than an ambulatory surgery center. So all  
22 of the programs that they have at the acute care  
23 center, transplants, cancer care, all of those  
24 cost money and is part of the overhead and the  
25 higher cost that we see in the acute care side.

1 We don't have that overhead in the ambulatory  
2 surgery center, so in general it's lower, once  
3 again, it's at least 25 to 40 percent.

4 MR. LAZARUS: Right. Has that been  
5 Hartford HealthCare's experience with its recent  
6 or past acquisitions of ambulatory surgery centers  
7 where the center's costs have dropped 25 to 40  
8 percent, as you mentioned?

9 MS. FELDMAN: Compared to the hospital  
10 cost, yes, yes. And, in fact, I think there was  
11 literature that was provided as part of the  
12 submission with respect to CMS Medicare that the  
13 differential between a hospital-based surgical  
14 procedure and an ASC procedure as much as 50  
15 percent. So it's known that and proven and data  
16 supported that the costs are less, significantly  
17 less.

18 MR. LAZARUS: And if the witness can  
19 sort of help explain Hartford HealthCare's  
20 experience with its previous acquisitions of an  
21 ASC, if that particular ASC's costs have gone up  
22 or down.

23 MS. FELDMAN: Costs? Can you please --

24 MR. LAZARUS: Costs of procedures.

25 MS. FELDMAN: Can you please define

1 what you mean by "costs" so that Donna Sassi can  
2 respond?

3 MR. LAZARUS: Well, if you can, you  
4 know, if you look at a procedure that was  
5 performed at the center prior to the hospital's --  
6 or not hospital but Hartford HealthCare's  
7 acquisition, would that procedure's cost stay the  
8 same or has stayed the same, has increased or gone  
9 down?

10 MS. FELDMAN: Well, the fee schedules,  
11 as I think was previously testified, are not going  
12 to change.

13 MR. LAZARUS: Okay. So the fee  
14 schedules that are currently charged at Litchfield  
15 Hills, that would continue to remain the same  
16 moving forward?

17 MS. FELDMAN: Correct.

18 THE WITNESS (Spero): Correct.

19 MR. LAZARUS: Okay. Currently the --  
20 and moving forward, who would negotiate the  
21 contracts that get renewed for the ASC, would that  
22 be Hartford HealthCare or would that be the center  
23 itself?

24 THE WITNESS (Sassi): The --  
25 (Simultaneous voices.)



1 MS. FELDMAN: Yeah, there's no  
2 immediate plan, first of all, to change contracts.  
3 These contracts with the ASC are existing, so  
4 there's no plans, you know, those contracts will  
5 run their course.

6 MR. LAZARUS: When they do expire,  
7 would they be negotiated by the center?

8 MS. FELDMAN: Yeah. So just so you  
9 know for background, Hartford HealthCare --

10 Donna, do you want to talk about  
11 Integrated Care Partners?

12 THE WITNESS (Sassi): Yes.

13 MS. FELDMAN: They have a clinically  
14 integrated network of providers where the  
15 providers share risk and are clinically integrated  
16 as that term is defined by the Federal Government,  
17 and that clinically integrated network, when those  
18 contracts expire will be --

19 THE WITNESS (Sassi): Right.

20 MS. FELDMAN: -- negotiated. Go ahead.

21 THE WITNESS (Sassi): No, that's  
22 exactly it. We, ICP does, you know, have that  
23 structure and that they do provide care through  
24 their contracts with a risk piece to make sure  
25 that the outcomes and the quality are there. So

1 they commit to that during contracting.

2 MR. LAZARUS: And --

3 MS. FELDMAN: Doctor -- I'm sorry.

4 MR. LAZARUS: I was just going to say,  
5 if we can just have the witness provide the  
6 testimony, it would be easier, we can actually use  
7 it.

8 MS. FELDMAN: Sure.

9 MR. LAZARUS: Thank you.

10 MS. FELDMAN: Sure.

11 THE WITNESS (Sassi): And just so you  
12 know, right now Litchfield Hills has contracts in  
13 existence. When they come up for renegotiations,  
14 ICP will contract -- will negotiate those  
15 contracts. And ICP is what you call an  
16 accountable care organization where they're going  
17 to be responsible for those outcomes of the  
18 patients, and they utilize that to be able to  
19 negotiate their contracts.

20 MR. LAZARUS: And when do the contracts  
21 come up for Litchfield Hills?

22 THE WITNESS (Sassi): I have no  
23 knowledge of that.

24 MR. LAZARUS: Perhaps the doctor does.

25 THE WITNESS (Spero): I don't know.

1 They come up yearly.

2 MR. LAZARUS: On an annual basis. All  
3 right. Thank you very much. That's helpful to  
4 have.

5 Attorney Novi, I would like to request  
6 a couple of updates through Late-Files.

7 HEARING OFFICER NOVI: Of course. Go  
8 ahead.

9 MR. LAZARUS: If we can get the  
10 financial attachment updated through the most  
11 recently completed year and also include  
12 projections through -- so we're just completing  
13 2021, so probably through '24 or '25, whichever  
14 would apply. If we can have that as Late-File 1.

15 HEARING OFFICER NOVI: Uh-huh.

16 MR. LAZARUS: Can we also have as  
17 Late-File 2, the revised and updated payer mix  
18 table?

19 And as Late-File 3, any of the volume  
20 projections that were submitted in the  
21 application, if those could be revised to provide  
22 either through December of, the most recently  
23 completed fiscal year as it was submitted, or the  
24 December 2022.

25 And lastly, I know we -- well,

1 actually, we have -- no, I think that should be  
2 good for now. Thank you.

3 HEARING OFFICER NOVI: All right.

4 MS. RIVAL: Actually, I'd like to  
5 request an additional Late-File.

6 HEARING OFFICER NOVI: Go ahead.

7 MS. RIVAL: Of the average facility  
8 fees assessed by Litchfield Hills Surgery Center  
9 for patients for each of the past five years,  
10 including the year to date. And also, a  
11 definition of facility fees that the applicants  
12 are charging and are proposed to charge at the  
13 surgery center and a narrative explanation as to  
14 how those differ from hospital facility fees.

15 HEARING OFFICER NOVI: And that will be  
16 Late-File 4. All right.

17 Okay. Now, I have a few follow-up  
18 questions that I would like to ask. Does HHC plan  
19 any capital improvements or renovations to the  
20 Litchfield Hills Surgical Center?

21 THE WITNESS (Sassi): I think that will  
22 be determined, you know, depending on the need.

23 HEARING OFFICER NOVI: But do you have  
24 any planned upgrades scheduled at this moment?

25 THE WITNESS (Sassi): Yeah. I mean, we

1 would probably refresh and make sure it met the  
2 standards that we talked about on that, you know,  
3 we have the technology that we need, that it is  
4 user friendly for our patients, that it's, you  
5 know, meets all the standards from a physical  
6 perspective, environment of care. So we'll, once  
7 again, do that assessment to update it and  
8 appropriately prioritize what we need to do.

9 HEARING OFFICER NOVI: Okay.  
10 Previously, financial aid was on a case-by-case  
11 basis. Can you explain why the Hartford  
12 HealthCare policy is an improvement?

13 THE WITNESS (Sassi): Because they have  
14 a choice to not take Medicaid and/or other  
15 patients to that center. We're going to require  
16 them to bring the underinsured and uninsured to  
17 the center which our charitable policy speaks to.  
18 So, you know, our journey to equity will continue  
19 in that service area.

20 HEARING OFFICER NOVI: And that's it  
21 for the questions that I have.

22 MR. LAZARUS: One other question, if I  
23 can just go back and follow up.

24 HEARING OFFICER NOVI: Go ahead, sure.

25 MR. LAZARUS: This is Steve Lazarus.

1 So I know you said the center does not have a  
2 charity care policy. Can you provide as a  
3 Late-File, I believe 6 it is --

4 MS. FELDMAN: We're on 5.

5 HEARING OFFICER NOVI: 5.

6 MR. LAZARUS: -- Late-File 5, the  
7 number of, for the past five years the number of,  
8 you said it was on a per case basis that you  
9 provided financial assistance or charity care.  
10 Could you provide for each of the five years how  
11 many cases you did that for, how many individuals  
12 or cases received financial assistance or some  
13 sort of charity care?

14 MS. FELDMAN: At the center?

15 MR. LAZARUS: At the center.

16 And the last question that I have, it's  
17 more of a general question, if this proposal was  
18 not to move forward, what effect would that have  
19 on the center itself?

20 THE WITNESS (Spero): We would continue  
21 to do surgery as we do now.

22 THE WITNESS (Sassi): Can I add to  
23 that? That would impact Hartford HealthCare  
24 greatly as we've talked about a congested OR where  
25 there are cases that really don't belong in an

1 acute care setting. You know, those patients in  
2 the literature they talk about ambulatory surgery  
3 patients have a higher risk at an acute care  
4 hospital for infections, for poor outcomes. So we  
5 would impact our community's health tremendously  
6 in a negative way if we don't have that, as well  
7 as we would not be moving forward on a mission to  
8 provide our patients with access to equitable  
9 lower-cost options for care.

10 MR. LAZARUS: Would the patients still  
11 not be able -- why would the patients not be able  
12 to be referred to the center if as needed?

13 THE WITNESS (Sassi): They can, but  
14 it's where the physicians are comfortable taking  
15 the patients. We don't drive where the surgeries  
16 are done. The physicians make choices.

17 MR. LAZARUS: So the physicians would  
18 refer the patients to --

19 THE WITNESS (Sassi): The physicians  
20 probably wouldn't change their practice as they  
21 currently --

22 THE WITNESS (Spero): Presently there  
23 are three physicians that do not practice at the  
24 ambulatory surgery center because this surgery  
25 center is an extension of my private practice.

1 And so by bringing in Hartford HealthCare, it now  
2 becomes sort of like a hospital-determined  
3 facility where other providers would be more  
4 likely to bring cases. Right now they don't bring  
5 any cases to my surgery center.

6 MR. LAZARUS: Right.

7 THE WITNESS (Sassi): And I've had  
8 physicians tell me with some of our acquisitions  
9 in the ambulatory surgery world that they feel  
10 more comfortable now bringing the cases, their  
11 voice can be heard for concerns or needs in an  
12 equitable way, you know. So we give them a  
13 platform, we listen to them, and we try to meet  
14 everyone's needs. We don't prioritize based on  
15 ownership or, you know, location.

16 MR. LAZARUS: But there's no legal  
17 reason that somebody can't be referred to the  
18 center for a procedure if it's not?

19 THE WITNESS (Sassi): No.

20 THE WITNESS (Spero): There is no legal  
21 reason.

22 MR. LAZARUS: It's more of a physician  
23 preference or the referral pattern you're talking  
24 about?

25 THE WITNESS (Spero): It's sort of like



1 those physicians are not part of my practice  
2 because they don't choose to be part of my  
3 practice. This ambulatory surgery center is in  
4 the immediate vicinity of my practice, and they  
5 won't bring, just as they are not part of my  
6 medical practice, they will not bring their  
7 patients to the ambulatory surgery center at my  
8 practice.

9 MR. LAZARUS: Right. And you don't  
10 allow anybody else, any other physician to  
11 perform procedures?

12 THE WITNESS (Spero): No, we do allow.

13 MR. LAZARUS: You do?

14 THE WITNESS (Spero): Yes.

15 MR. LAZARUS: Okay. So if they wanted  
16 to they could, they just choose not to?

17 THE WITNESS (Spero): That's correct.  
18 That's right.

19 THE WITNESS (Sassi): And, you know, if  
20 we as a Hartford HealthCare system can't control  
21 the quality, we're not going to, you know, suggest  
22 that patients move to that site. We also, you  
23 know, they today don't have to go live with Epic,  
24 they don't have to participate in Leapfrog. We  
25 want to elevate and validate the quality of care

1 and maintain and monitor it, and we'll be focused  
2 on that. Without us, once again, you know,  
3 they're operating a well-run facility, but with  
4 the change in environment with the acute care  
5 cases moving out there, you know, they might not  
6 be as prepared as we will have them be prepared if  
7 we were not involved with the center.

8 THE WITNESS (Spero): And the idea is  
9 for the entire community, the entire community  
10 wants to use an ambulatory surgery center. It's a  
11 very nice setting to undergo orthopedic surgery.  
12 And so these other three physicians, even though  
13 they are able to use the facility, they will not  
14 use the facility because the hospital is their  
15 home, whereas the ambulatory surgery center is my  
16 home. They're welcome to come, but they won't  
17 come.

18 MR. LAZARUS: I understand. Thank you.  
19 One last question regarding the center.  
20 In the past five years, have there been any  
21 Medicaid patients that have been denied services?

22 THE WITNESS (Spero): No.

23 MR. LAZARUS: All right. Thank you,  
24 Attorney Novi. I think I'm all set.

25 THE WITNESS (Spero): One thing that I

1 do want to add is part of -- I know Medicaid is  
2 your question, but there's a lot of orthopedic  
3 surgery and procedures that are not able to be  
4 done in an ambulatory surgery center just because  
5 of the government regulations of where they must  
6 be done. And so -- and that environment hasn't  
7 changed very much.

8 MR. LAZARUS: Thank you.

9 HEARING OFFICER NOVI: Thank you. At  
10 this point, I will ask Attorney Feldman if she has  
11 any follow-up on the questions posed to the  
12 applicants.

13 MS. FELDMAN: Yeah. Thank you, Hearing  
14 Officer. I just want to follow up with Dr. Spero  
15 with respect to his last statement regarding  
16 governmental payers and their coverage of  
17 ambulatory surgery cases in the orthopedic  
18 subspecialty. Have you reviewed the Medicaid fee  
19 schedule for ASCs in Connecticut?

20 THE WITNESS (Spero): Yes.

21 MS. FELDMAN: And based on your review,  
22 did you find that spine surgeries were covered by  
23 a fee schedule?

24 THE WITNESS (Spero): There are no  
25 spine surgeries that are covered by the Medicaid

1 fee schedule in an ambulatory setting.

2 MS. FELDMAN: And did you find that  
3 there was sports therapy or sports medicine  
4 procedures covered?

5 THE WITNESS (Spero): There are  
6 procedures, but they are much limited than in the  
7 commercial and Medicare populations.

8 MS. FELDMAN: So just generally overall  
9 looking at the fee schedule as you stated, did you  
10 see the Medicaid fee schedule for ASCs to be as  
11 comprehensive as the commercial plans are --

12 THE WITNESS (Spero): No.

13 MS. FELDMAN: -- for Medicare?

14 THE WITNESS (Spero): No.

15 MS. FELDMAN: Thank you. No further  
16 questions.

17 HEARING OFFICER NOVI: All right. So  
18 at this point, I would like to go ahead and take a  
19 break. We will allow for public comment sign-up  
20 to begin from 2 to 3 p.m. Afterwards, we'll have  
21 public comment at 3 p.m., and then we will close  
22 the hearing after public comment. So I would  
23 like, if it's possible, to take a break until 3  
24 p.m.

25 MS. FELDMAN: Hearing Officer Novi,

1 will I be able to make closing remarks at that  
2 point?

3 HEARING OFFICER NOVI: Yes. After  
4 public comment, closing remarks, and then we will  
5 end the day. You can speak after public comment.

6 MS. FELDMAN: Thank you.

7 HEARING OFFICER NOVI: All right.  
8 Thank you very much. I would just like to  
9 actually before we adjourn until after -- until we  
10 adjourn for public comment, I just want to remind  
11 everybody that we are transcribing today's  
12 hearing, so the transcription will also include  
13 the full hearing, including the opening which was  
14 not captured on Zoom. So that will be available  
15 in the transcript that will be posted to the CON  
16 portal once it is completed.

17 All right. It is now 11:17 a.m., and  
18 we will adjourn this hearing until 3 p.m. for  
19 public comment. Thank you, everybody.

20 (Whereupon, a recess was taken from  
21 11:17 a.m. until 3 p.m.)

22  
23 \* \* \*  
24  
25

1 AFTERNOON SESSION

2 3 P.M.

3 HEARING OFFICER NOVI: Okay. As we  
4 were all just notified by the Zoom voice, it is 3  
5 p.m., and we are recording this hearing. Good  
6 afternoon. This is the continued hearing for  
7 Docket No. 21-32445-CON, Hartford HealthCare  
8 Corporation d/b/a HHC Surgery Center Holdings, LLC  
9 and Litchfield Hills Surgery Center, LLC.

10 All right. I was informed by  
11 Ms. Capozzi that we did not have anybody who wants  
12 to make public comment. So at this point, we will  
13 go ahead. And if anybody does come on who wants  
14 to make a public comment, we will allow them some  
15 time, but we will move right into the Late-Filing  
16 portion since we have nobody who wants to speak.

17 Steve or Jessica, would one of you like  
18 to read a list of the documents that will be  
19 submitted as Late-Files.

20 MR. LAZARUS: Let me start with the  
21 first three since I read them out and then,  
22 Jessica, you can just add the next ones.

23 So I have Late-File 1, which will be  
24 the financial attachment that was produced  
25 provided as part of the application, if we can get

1 a revised copy of that to include the most  
2 recently completed year as well as financial  
3 projections through 2025.

4 (Late-File Exhibit 1, noted in index.)

5 MR. LAZARUS: Next, Late-File 2 is the  
6 payer mix, an updated payer mix to include the  
7 most recent data.

8 (Late-File Exhibit 2, noted in index.)

9 MR. LAZARUS: And Late-File 3 is any  
10 volumes or utilization that were provided in the  
11 application, if those tables can be updated and  
12 provided with the most recently completed either  
13 fiscal year or calendar year, whatever format they  
14 were provided in. And if it's calendar year, it  
15 would be through December 2022.

16 (Late-File Exhibit 3, noted in index.)

17 MR. LAZARUS: And then I'll turn it  
18 over to Ms. Rival for Late-File 4.

19 MS. RIVAL: Late-File 4 was to provide  
20 the average facility fee assessed by LHSC per  
21 patient for each of the past five years, including  
22 the year to date, and to define facility fees that  
23 the applicants are charging and are proposed to  
24 charge at the surgery center, and a narrative  
25 explaining how those differ from hospital facility

1 fees.

2 (Late-File Exhibit 4, noted in index.)

3 HEARING OFFICER NOVI: Okay. And then  
4 there is a Late-File 5 as well that Steve also  
5 asked for.

6 MR. LAZARUS: What was that one?

7 HEARING OFFICER NOVI: Late-File 5 is  
8 the number of charity care cases --

9 MR. LAZARUS: Yes.

10 HEARING OFFICER NOVI: -- for the past  
11 five years. My notes are handwritten on the side  
12 of my paper.

13 MR. LAZARUS: Yes, for each of the past  
14 five years, five-year.

15 (Late-File Exhibit 5, noted in index.)

16 HEARING OFFICER NOVI: All right.

17 MR. LAZARUS: That's it.

18 HEARING OFFICER NOVI: Attorney  
19 Feldman, when do you think you might be able to  
20 get those in to us?

21 MS. FELDMAN: Sure, I'm happy to answer  
22 that. I just want to get a clarification on  
23 Late-File 3, which is updated volumes since the  
24 last filing. So that's through December 2022.  
25 You're not looking for new projections, this is



1 just an update?

2 MR. LAZARUS: Yeah, this is just an  
3 update. If you have any revised projections you  
4 would like to -- you think have changed since  
5 anything you've submitted, then include those as  
6 well.

7 MS. FELDMAN: Okay. All right. So I  
8 think that obviously some of this will depend upon  
9 the work of others in terms of preparation. So  
10 I'm thinking two weeks would be sufficient time to  
11 get you everything in one fell swoop, if that's  
12 workable.

13 HEARING OFFICER NOVI: Of course. Do  
14 you want to go to the end of business on January  
15 27th which will give you a little longer than two  
16 weeks?

17 MS. FELDMAN: Sure, that would be  
18 great.

19 HEARING OFFICER NOVI: Okay. So I am  
20 going to issue an order that all items listed by  
21 the OHS staff, that those be produced as  
22 Late-Files by the applicants, as the case may be,  
23 and that they be produced by the close of business  
24 on Friday, January 27, 2023. All right.

25 And Ms. Rival, can you memorialize that

1 order in a letter?

2 MS. RIVAL: Yes.

3 HEARING OFFICER NOVI: All right.

4 Thank you.

5 All right. Thank you, Ms. Feldman, for  
6 your help with picking the date for that. I'm  
7 sorry, Attorney Feldman, thank you.

8 All right. So at this point,  
9 Ms. Capozzi, do we have any public comments?

10 MS. CAPOZZI: (Shaking head in the  
11 negative.)

12 HEARING OFFICER NOVI: All right. So  
13 we will now move on to the closing arguments or  
14 statements from the applicant's attorney.

15 Attorney Feldman, would you like to go  
16 ahead and make your closing statement?

17 MS. FELDMAN: I would love to. This is  
18 a little bit slightly out of the ordinary. Right  
19 before we went to break, Mr. Lazarus asked us a  
20 question that I think we had some trouble  
21 understanding with respect to what was meant by  
22 "cost." And we want to be as responsive as  
23 possible, so we're going to, if it would be okay  
24 with the Hearing Officer, I would, rather than  
25 have me answer that, I would request that

1 Ms. Sassi be able to provide her best explanation  
2 to be most responsive to Mr. Lazarus's question.  
3 Is that okay?

4 HEARING OFFICER NOVI: Of course, yes.  
5 So before we move on to closing statements, you  
6 could go ahead and revive that line of questioning  
7 and have your witness go ahead and give some more  
8 testimony.

9 MS. FELDMAN: So I don't know whether  
10 Mr. Lazarus would like to restate the question for  
11 us, but based on our understanding of the  
12 question, we have a response. But if you would  
13 prefer to have him restate it or try to respond.

14 MR. LAZARUS: No, you can just go ahead  
15 and respond. We'll just continue at that point.

16 MS. FELDMAN: Okay. Sure.

17 MR. LAZARUS: Thank you.

18 THE WITNESS (Sassi): Thank you for the  
19 opportunity to respond again. We had a  
20 discussion, and we really want to communicate that  
21 we want to remind OHS that our prior two filings  
22 we did submit the answer to your questions as far  
23 as whether the cost was impacted. So I just  
24 wanted to refer you to them. I know you didn't  
25 reference them in your question, and you do have

1 that information available to you from our  
2 previous filings.

3 In addition, I wanted to emphasize that  
4 the higher acuity case mix will come out of the  
5 hospitals and be moved if Litchfield Hills and  
6 Hartford HealthCare are approved to partner  
7 together. And as a result of that movement of  
8 cases out of the acute care side, the average rate  
9 is really likely to increase, but it's really due  
10 to the payer mix and the acuity -- the case mix,  
11 I'm sorry, not the payer mix but the case mix and  
12 the acuity of those cases.

13 And as far as our contracts, as we move  
14 forward in Hartford HealthCare at the term of the  
15 current contracts that Litchfield Hills has, we'll  
16 negotiate those contracts through our ICP, which  
17 is our accountable care organization. You know,  
18 they are a clinically integrated network where all  
19 the providers share the risk and are incentivized  
20 to have the costs as low and the quality as high  
21 as possible. So I wanted you to have that  
22 information about ICP as they move forward, again,  
23 at the term of the contracts that are currently in  
24 place that they're incentivized to make sure that  
25 whatever the contract, it's going to help improve

1 the quality of care as well as lower the costs.

2 MR. LAZARUS: All right. Thank you.

3 HEARING OFFICER NOVI: Mr. Lazarus, any  
4 follow-up questions?

5 MR. LAZARUS: No, not at this time.  
6 Thank you.

7 HEARING OFFICER NOVI: Okay. All  
8 right. Attorney Feldman, any follow-up questions?

9 MS. FELDMAN: I don't have any  
10 follow-up questions, but I would like to just  
11 proceed to closing comments, remarks.

12 HEARING OFFICER NOVI: Now we can  
13 proceed to that. Go ahead.

14 MS. FELDMAN: Thank you. Just to  
15 reiterate what we discussed this morning or what  
16 the witnesses spoke to in their prefile testimony  
17 and both oral testimony today, I think we heard  
18 that with Hartford HealthCare as a partner in this  
19 ASC the care will be, the service will be, the  
20 technology will be, everything about it will be  
21 advanced and enhanced. There will be quality  
22 analytics, access to data that currently is not  
23 present. There will be benchmarking for  
24 performance. There will be feedback with  
25 performance improvement. There will be regular

1 focus on patients and measuring patient  
2 satisfaction. There will be transparency and  
3 criteria by the patients for evaluating their  
4 experience, infection control, the whole process  
5 through participation in Leapfrog.

6 We heard that we expect to see  
7 approximately a 40 percent shift of orthopedic  
8 cases from Charlotte Hungerford Hospital to a  
9 lower-cost, equally safe surgical center with  
10 anywhere from 25 percent to 40 percent, and in the  
11 case of Medicare 50 percent, cost savings.

12 Obviously, this all sounds wonderful,  
13 and many of our Hartford HealthCare patients very  
14 much want to stay affiliated with Hartford  
15 HealthCare. I think some of the questions that we  
16 heard earlier is why does Hartford HealthCare have  
17 to be part of this. Our patients want, we have a  
18 brand, and we've earned that brand because of the  
19 experience that patients have, what their  
20 expectations and their outcomes are, and patients  
21 receive a lot of comfort in knowing they're going  
22 to a Hartford HealthCare affiliated imprimatur  
23 health care center versus, let's say, another  
24 partner who doesn't bring all that expertise.

25 We also know from the State Health Care

1 Facilities Plan that OHS has focused over the  
2 years with the hospitals not increasing their  
3 inpatient bed capacity. This movement towards the  
4 development of a comprehensive ambulatory network,  
5 and we're not just talking about surgery centers,  
6 we're talking about whole array of ambulatory  
7 services, is essential. And that became very  
8 obvious to us all during COVID when the hospitals  
9 were at or above capacity and we were using other  
10 facilities, mobile tents, you know, setting up all  
11 sorts of alternative sites for decanting inpatient  
12 volume. This is really what we need to be doing  
13 to be prepared for the next pandemic.

14           So we believe that OHS supports this  
15 notion, this concept that is nationally being  
16 rolled out for hospitals to develop ambulatory  
17 networks simply because patients want that,  
18 hospitals of course need to continue to have  
19 revenue, and there is great value in having  
20 continuity of care and communication between  
21 hospital ambulatory networks and all the  
22 physicians who care for the patients. This is  
23 entirely patient focused, and it's all about the  
24 patient experience.

25           And I don't know whether some of the

1 folks at OHS have had surgery on an inpatient  
2 basis and also had surgery on an ambulatory basis.  
3 It's a very different experience. And it's for  
4 one, certainly equal in terms of quality, lower in  
5 terms of cost, less intimidating for the patient  
6 and easily accessible for a patient.

7           So I think that the time has come,  
8 whether it's the payers that are demanding that  
9 their patients who are insured by them receive  
10 care in lower-cost alternative centers, but it's  
11 very important for Hartford HealthCare to have a  
12 solid and comprehensive ambulatory network where  
13 there is going to be a significant savings for the  
14 entire state health care system, not only the  
15 payers.

16           But just from a practical standpoint,  
17 this will decompress the hospitals so that  
18 elective cases, and this is the reality that we  
19 have learned from our surgeons, don't have to  
20 perform elective cases at 9 p.m. in the evening at  
21 the end of the day simply because they're just too  
22 busy in the hospital to take those elective cases  
23 earlier in the day.

24           We know for a fact that this particular  
25 ASC is not operating at full capacity. It's



1 operating at about 30 percent capacity. We  
2 believe that it can be more efficiently run with  
3 the recruitment of additional surgeons who are  
4 more willing to do surgery at the ASC with  
5 Hartford HealthCare as a partner versus going to  
6 the ASC of a competitor. And I'm being very  
7 transparent and frank with you about sort of what  
8 are the roadblocks sometimes in getting surgeons  
9 to shift their care. So we fully expect that this  
10 ASC will reach a greater capacity and level of  
11 efficiency with the recruitment of more surgeons  
12 and the continued shifting of cases by the payers  
13 to ASC centers.

14           The goal, as stated in the application,  
15 is to enhance the ASC and widen the scope and  
16 population that is currently served. And most  
17 importantly, with HHC as a partner, we will be  
18 able to open the doors to more patients because  
19 there will be inclusion of the financial  
20 assistance policy or the charity care policy. So  
21 the decanting of surgical volumes from the  
22 hospital to ambulatory settings should be fully  
23 consistent with the state's health care plan,  
24 including its commitment to serving the  
25 underinsured and uninsured patient population in

1 this area.

2 So in closing, I want to thank you for  
3 your questions. I want to thank you for the  
4 opportunity that we had to explain our reasoning  
5 and rationale behind this application. And I'm  
6 hopeful that the testimony that you've heard today  
7 was as responsive as necessary. And we're very  
8 eager to hopefully get approval so that we could,  
9 given that this application has been pending for  
10 for some time, get going. So thank you.

11 HEARING OFFICER NOVI: Thank you,  
12 Attorney Feldman, and thank you to your witnesses  
13 that you brought today. I just want to again  
14 remind everybody that the transcript will include  
15 the full hearing, including the opening which was  
16 not captured on Zoom.

17 The Late-File exhibits will be due by  
18 the end of the day on January 27, 2023, by 4:30  
19 p.m.

20 Thank you, everybody, who attended  
21 today. It is now 3:19 p.m., and we will be  
22 adjourning. This hearing will be adjourned. And  
23 the record will stay open until closed by OHS.  
24 Have a good afternoon, everybody, and thank you.

25 MS. FELDMAN: Thank you.

(Whereupon, the hearing adjourned at  
3:19 p.m.)

CERTIFICATE FOR REMOTE HEARING

STATE OF CONNECTICUT

I, Lisa L. Warner, L.S.R. 061, a Notary Public duly commissioned and qualified, do hereby certify that on January 11, 2023, at 9:30 a.m., the foregoing REMOTE HEARING before the CONNECTICUT OFFICE OF HEALTH STRATEGY IN RE: DOCKET NO. 21-32445-CON, A HEARING REGARDING THE TRANSFER OF OWNERSHIP OF 51% OF THE MEMBERSHIP INTEREST IN LITCHFIELD HILLS SURGERY CENTER, LLC TO HARTFORD HEALTHCARE CORPORATION d/b/a HHC SURGERY CENTER HOLDINGS, LLC, was reduced to writing under my direction by computer-aided transcription.

I further certify that I am neither attorney or counsel for, nor related to or employed by any of the parties to the action in which these proceedings were taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties hereto or financially interested in the action.

In witness whereof, I have hereunto set my hand this 16th day of January, 2023.

----------

Lisa L. Warner, CSR 061  
Notary Public  
My commission expires:  
May 31, 2023

# I N D E X

ADMINISTRATIVE NOTICE ITEMS: Page 7-9

WITNESSES: (Sworn on page 16)

LANE D. SPERO, M.D.

DONNA SASSI

## LATE-FILE EXHIBITS

EXHIBIT	DESCRIPTION	PAGE
Exhibit 1	Financial attachment, revised copy to include most recently completed year, as well as financial projections through 2025	59,71
Exhibit 2	Updated payer mix to include the most recent data	59,71
Exhibit 3	Volumes or utilization that were provided in the application, update tables, and provide most recently completed either fiscal year or calendar year (calendar year through December 2022) and provide revised projections	59,71
Exhibit 4	Provide the average facility fee assessed by LHSC per patient for each of the past five years, including year to date, and to define facility fees that the applicants are charging and are proposed to charge at the surgery center, and narrative explaining how those differ from hospital facility fees	60,72
Exhibit 5	Provide number of charity care cases for the past five years	62,72