



PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

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A Mission and Vision for Certificate of Need in the 21st Century

Mission of New York's CON Program

New York's Certificate of Need (CON) program, together with other programs and policies, promotes the alignment of health care resources with community health needs in order to:

- preserve and promote access to high quality health care;
- contain health care costs and promote cost-effective health care; and
- promote healthy communities.

Vision

Through the combined impact of CON, local health planning, payment mechanisms, and health care quality oversight, New York assures that its healthcare delivery systems are accessible, high-quality, cost-effective, financially stable, and engaged in promoting the health and wellness of their communities. New York's CON program supports access to needed care and beneficial innovation, while containing unnecessary development of health care capacity and services. The CON program is targeted appropriately at projects that may affect access to essential services, unnecessarily drive up costs, and/or raise significant quality or cost-effectiveness concerns. The CON process is informed by local conditions and provides a vehicle for public input into the configuration of health care resources in communities.

Principles for Reform:

- The Certificate of Need program should support:
 - Preservation and expansion of access to needed health care services;
 - Containment of costs and improved cost-effectiveness;
 - Health care quality and reliability; and
 - Improved population health and elimination of health disparities.

- The mechanisms that CON uses to promote the alignment of health care resources with community need must evolve in the face of dramatic changes in the health care environment. CON should complement related planning initiatives, payment reforms and emerging models of care that promote care coordination and reduce inappropriate utilization.
- CON decisions should be informed by local/regional planning based on data and community input. Health planning, including that performed by the PHHPC, should be comprehensive and should consider health care resources of both institutional providers and physician practices. The PHHPC and health planning organizations should play a proactive role in promoting health care development that is aligned with community needs. Regional planning should encompass not just the supply of health care, but also strategies regarding the organization and delivery of care, population health and health care utilization.
- CON is one of several regulatory tools that can be used to affect the configuration and operations of healthcare delivery systems. It should be applied only: (i) where it is likely to be cost-effective in comparison with other tools available to achieve desired goals; (ii) where the goal sought is directly related to the development, reconfiguration, or decertification of health care facilities, programs or services.
- The CON program should focus on health care projects and services that have a significant impact on health care costs, access or quality, such as those that are supply-sensitive or volume-sensitive,¹ require major capital investment, generate high operating costs, compromise access to care, require highly-specialized expertise, or involve emerging medical technologies.
- Certification or licensure alone, without consideration of public need, is sufficient for projects that do not require major capital investment, are not supply- or volume-sensitive, do not generate high operating costs or compromise access to care, and do not involve emerging medical technologies.
- The CON program should facilitate coordinated and integrated delivery of all health care services, including behavioral health, developmental disability, and physical health services. Certification or licensure processes should be examined and updated to promote integration of behavioral and physical health services.
- Proposals for administrative streamlining should be considered in light of longer term issues, such as reinvigorating health planning, approval of new types of facilities, role of private capital, impact of payment reforms, and delivery system configurations.

¹ For purposes of this document, a health care capital project or service is supply-sensitive if the supply of the health care resource in question influences the utilization of that resource, and the level of utilization driven not by medical theory or evidence, but rather by capacity and payment incentives. (Dartmouth Atlas of Health Care, available at <http://www.dartmouthatlas.org/keyissues/issue.aspx?con=2937>). A health care service is volume-sensitive if a high volume of the service is associated with improved quality or outcomes.