CHA CONNECTICUT HOSPITAL ASSOCIATION

5172

TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
INSURANCE AND REAL ESTATE, HUMAN SERVICES,
AND PUBLIC HEALTH COMMITTEES
Monday, March 2, 2009

HB 5172, An Act Establishing The Connecticut Healthy Steps Program

The Connecticut Hospital Association (CHA) appreciates the opportunity to submit testimony on **HB 5172, An Act Establishing The Connecticut Healthy Steps Program.**

Connecticut hospitals play a critical role in the health and quality of life of our communities. Hospitals are more than facts and figures and dollars and cents—hospitals, at their core, are really people taking care of people. Each year, the 66,000 people employed in Connecticut's hospitals care for more than 433,000 people admitted to their facilities, treat nearly 1.3 million people in their emergency rooms, and welcome more than 40,000 babies into the world. We provide care to all people regardless of their ability to pay—we provided 528,000 instances of care for the uninsured and nearly one million people enrolled in under-funded state and federal programs. And, we do this 24 hours a day, seven days a week, 365 days a year.

We see, every day, the consequences and health implications for individuals and families who delay seeking treatment because they do not have health insurance or are under-insured. In fact, in most cases, hospitals are the only place that they can go to receive care—we serve as their healthcare safety net.

Thus, as the front-line caregivers, Connecticut hospitals are absolutely committed to initiatives that improve access to health insurance coverage for Connecticut residents and reduce the number of uninsured individuals. CHA and its 28 member hospitals from throughout the state support a system of coverage that is universal, continuous, and coordinated. Such a system must ensure seamless care, which is affordable to individuals and families and is sufficiently financed. The ultimate goal is to establish a healthcare system through which coverage is affordable and sustainable for society.

Sections 18 through 21, and 23 of HB 5172 are problematic. These sections direct the DSS Commissioner to: establish an excess cost reinsurance program; seek waivers; improve coordination for the aged, blind, and disabled; align reimbursement systems; allow the aged, blind, and disabled to participate in HUSKY; and impose copayments on persons enrolled in Medicaid and direct hospitals to provide verbal and written notice to those who use the emergency department inappropriately. Unfortunately, as drafted, these sections do little to recognize the crushing reality that every year, before a hospital plans a new program, hires another nurse, invests in a quality initiative, or brings state-of-the-art technology to its community, it must first figure out how to cover the annual deficit caused by state under-funding of its existing insurance programs and the cost of the uninsured.

In order for initiatives to successfully improve coverage and access, they must adequately finance the healthcare system already providing services to the uninsured and underinsured. Thankfully, funds are available to help. Congress is delivering unprecedented Medicaid relief to Connecticut. Federal Medicaid relief will total over $1.32 billion over 27 months. The relief begins with the first quarter of Federal Fiscal Year 2009 and will come in the form of an increased federal match to the Medicaid program. Connecticut's match rate will increase from the current 50 percent to about 60 percent.

This Congressional lifeline should be used to maintain eligibility, coverage, and make another down payment on bringing provider rates closer to covering the cost of care. In other words, let's help those who need it most, support those providing the help, while at the same time contributing significantly to balancing the state budget.

Connecticut's healthcare safety net **must** be mended before more entitlements are considered—full Medicaid cost reimbursement to hospitals must be a cornerstone of any reform program.

Thank you for considering our position.

For additional information, contact CHA Government Relations at (203) 294-7310.