

Testimony on Proposed Cuts to State Budget

Dear Senator Harp, Representative Geragosian and Members of the Appropriations Committee:

I am writing to ask for your help by voting against the cuts Governor Rell has proposed for hospitals in Connecticut. I am highly aware of the serious state deficit we are facing and understand the need to address expenses, but cutting hospitals will reduce capacity and services, which will be needed more than ever with higher unemployment and loss of income for the citizens of our state. Hospitals have truly become the final layer of the safety net for the poor. If hospitals are not able to deliver the care needed, how will the sick poor of Connecticut receive care?

As many residents of Connecticut have lost jobs and health insurance, they have joined the ranks of Medicaid and SAGA populations. Fortunately, our state will receive over a billion additional Medicaid dollars through the stimulus plan, but none will be available to help hospitals deal with the \$300 million of shortfall from current Medicaid and SAGA programs.

There are no other outside organizations except hospitals that are made to provide services to the state at payment levels significantly under cost. With the proposed cuts by the Governor in her mediation plan there will be additional cuts of \$77 million a year. This level of reduction will impact quality, safety and access, things none of us want to see happen in Connecticut. If the proposed cuts are enacted, hospitals may be left with no option but to reduce staff and will be unable to respond to national health crises such as H1N1. Worse yet, hospitals may not be able to manage the growing number of uninsured, leaving no alternatives for those in greatest need.

During the last session, the legislature supported pursuing a SAGA waiver that would get hospitals access to federal matching dollars and would save the state \$28 million a year. We cannot afford to leave this money on the table, and the state should implement the SAGA waiver immediately.

I am asking that you support keeping Connecticut hospitals solvent by rejecting the proposed cuts in the Governor's mitigation plan.

Many thanks for your consideration,

Ronald J. Bianchi
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