



**TESTIMONY OF
R. Christopher Hartley
Senior Vice President
Saint Francis Hospital and Medical Center
BEFORE THE
APPROPRIATIONS COMMITTEE
Wednesday, February 18, 2009**

**HB 6365, An Act Concerning The State Budget For The Biennium
Ending June 30, 2011 And Making Appropriations Therefor**

Saint Francis Hospital and Medical Center is pleased to have the opportunity to provide testimony today on **HB 6365, An Act Concerning The State Budget For The Biennium Ending June 30, 2011, And Making Appropriations Therefor.**

Saint Francis Hospital and Medical Center is open to all, regardless of ability to pay, twenty-four hours per day, seven days per week, all year long. Unfortunately, the ability of our hospital to meet the healthcare needs of our community is being severely stressed by the current economic crisis. Every day the economy worsens and the number of uninsured and those enrolling in Medicaid and SAGA grows. In fact, in FY2008 Saint Francis delivered more than \$6.2 million in free care and experienced a \$36.2 million dollar shortfall in serving patients covered by the Medicaid and State Administered General Assistance (SAGA) programs. These losses are \$13.3 million higher than the losses Saint Francis experienced from charity care and Medicaid and SAGA programs in FY2007. I am sad to say, our experience so far in FY2009 suggests our losses will grow even larger this year.

Saint Francis knows all too well how difficult it is to operate in this economic environment and make hard choices between competing priorities. We sincerely thank Governor Rell for submitting a budget proposal that maintains the Medicaid provider rate increases enacted in 2007, as well as preserves the Uncompensated Care and Urban DSH Pools.

However, HB 6365 also proposes Medicaid cuts totaling \$81.6 million in 2010 and \$89.7 million in 2011. Each of these reductions will have a negative impact upon our hospital, and make it more difficult for people to find care in the appropriate setting and enroll and remain in Medicaid. In these difficult economic times, it is more important than ever that the state is steadfast in its commitment to help those who cannot help themselves, particularly since our state does not have a separate public hospital system for the poorest

citizens. Instead it depends upon its private not-for-profit hospital system to serve as the safety net of last resort for hospital services in Connecticut.

Yet in these dark times, Congress has recently delivered a ray of hope through the recently passed economic stimulus package. Contained in this bill is unprecedented Medicaid relief for Connecticut.

Through acceptance of this federal lifeline the state has the opportunity to maintain eligibility and coverage, make another down payment on bringing provider rates closer to covering the cost of care, and at the same time contribute significantly to balancing the state budget. It makes no sense to cut Medicaid and refuse this federal lifeline.

Please reject these proposed cuts, move SAGA into Medicaid via the SAGA waiver, and provide some desperately needed rate relief to providers.

Thank you for your consideration of my remarks.