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**TESTIMONY**

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President

**AN ACT CONCERNING THE INTEGRATION OF CERTAIN COMPONENTS OF THE UNIVERSITY OF CONNECTICUT HEALTH CENTER WITH CERTAIN COMPONENTS OF HARTFORD HEALTH CARE CORPORATION AND AUTHORIZING BOARDS OF THE STATE FOR A REPLACEMENT HOSPITAL IN FARMINGTON**

**MARCH 5, 2009**

Good afternoon Senator Handley, Representative Willis and members of the Higher Education Committee. I am Jean Morningstar, President of University Health Professionals (UHP), AFT Local 3837. I am here on behalf of the 2500 members of UHP that are the professional non-faculty employees at the University of CT Health Center.

I am here to speak against the proposed act concerning the integration of certain components of the University of Connecticut Health Center with certain components of Hartford Healthcare Corporation. I was really intrigued by the idea of a strengthened partnership or affiliation with area hospitals after the CASE report came out last year. Imagine my surprise and dismay that instead of a partnership, the proposal before you today is a takeover of the only public hospital in Connecticut by a private entity, Hartford Healthcare Corporation.

When this process began, the six State employee unions representing employees at the Health Center, asked to be part of the process. We knew that in order for any major changes to happen the employees would have to be an integral part of the change. We were not part of the process, and there was virtually no transparency despite our continued requests. Instead, we were constantly assured that our interests were being maintained, and that the University knew what we would want, and we should just trust them. UHP trusted the University when Children's Hospital was envisioned and the employees were promised that they would stay State employees. That didn't happen, and we learned a very tough lesson.

The fact that the University believes that the only thing the unions care about is our State employee status and benefits is condescending at best, and completely disrespectful at the worst. We are employees of UHC because we believe in the public mission of the Health Center and the importance of education, research, and patient care. Most of us have dedicated our professional lives to serve the public and we take this service very seriously. We are concerned that the State is being asked to give money to a private entity that has a very different mission and this private entity would make decisions based on their own mission.

Last week the University and Hartford Healthcare finally shared some documents with the unions; and my fears became justified. The governance of this new entity is entirely in the control of Hartford Healthcare and there is no State oversight on the money that is being requested of the legislature - and by extrapolation, the taxpayer. The President of the University and the Dean of the Medical School are not enough oversight to protect the public's interest. The governance is a major problem and a huge roadblock to the continued public mission. Other speakers today are going to focus on the governance, so I am going to switch to the employee issues.

The University and Hartford have told us a million times that they are going to make sure that we stay State employees, and that we would be covered by SEBAC in terms of our benefits. All of this would continue as "much as the law allows". The fact that the University hired the Law Firm of Durant, Nichols, Houston, Hodgson, and Cortese-Costa to represent them in employee matters is very troublesome. That law firm touts their anti union activities on their website. The quote on the website of the law firm is: "Our labor practice is concentrated on representing management in the union environment or where a priority is to remain union free". Our State agency hired a law firm to represent them in crafting this agreement that touts their anti-union stance as part of their PR. I am not feeling warm and fuzzy, and certainly am not feeling that "trust me" is appropriate.

The agreement calls for UHP to engage in negotiations for affected versus non-affected employees. When pressed for specifics, the assurance was that the two parties were not able to identify the employees, but were working on it. Again, I am not feeling particularly assured; and the idea that these two entities decided that UHP should have two sets of negotiations, and that one set of the negotiations would include private employers that are not bound by FOI and disclosure rules is not acceptable to me as the President of a State employee union. Frankly, I find the rhetoric of "trust us, we will take care of you" as condescending and disingenuous, and most importantly, disrespectful. I don't expect any different rhetoric from Hartford as they have always been anti union. My extreme disappointment emanates from UHP's employer, the University of Connecticut. UHP and the other unions have spent the last several years strengthening our relationship with the University, and have lobbied together on University issues. The fact that the University has not involved us in this process does not bode well for future relations with the University, and that is very disappointing.

We have been down here lobbying on the specific issue of fringe differential payments for several years. Everyone continues to describe the deficit of the Health Center as a major deal. Giving money to offset a deficit is one thing, but to continue to describe it as a "bailout" is not fair. The Health Center is a State agency, and is expected to cover its own fringe benefits. No other State agency has that enormous burden.

I would like to address this year's budget deficit. The Health Center has a projected deficit of \$17 million dollars in FY09. The fringe differential is \$13 million. Add on the \$1 million dollars paid to the two law firms contracted to put this takeover together. Now we are left with \$3 million dollars. Add on the \$5.3 million dollars of overhead costs of the consortium fees, and the deficit is covered.

I leave you with this thought: Why haven't our potential PARTNERS paid the Health Center for overhead costs for running the Consortium? The Consortium employs and supplies the residents and fellows to the area hospitals. The direct employment costs are reimbursed to the Health Center. Overhead costs have never been reimbursed. As early as March of 2008 the Health Center management and Board of Directors was directing the Health Center to bill the area hospitals for these overhead costs. The invoices were even prepared, but were never sent out. Why? The highest decision makers of the University did not want to upset their potential partners, so they instead ate the overhead costs - and now we have a deficit, and employees are being laid off to make the budget. When I asked the University President and other administrators this question, I was told that it would not be fair to bill the hospitals because they had not had time to put it in their budgets. The truth is that their budget year starts in October and if the conversation had taken place in March, this would not have been an issue. Now we are in the position that the Health Center started laying off employees last week in order to try and make their budget. I am not sure why the people who do the work have to be laid off because our partners don't pay for the Consortium - and the University hires consulting law firms to set agreements that will endanger their employment.

Does anyone wonder why I can't accept "trust me" as an answer? I urge you to reject this act.

Thank you