

TESTIMONY OF SAL LUCIANO, EXECUTIVE DIRECTOR
COUNCIL 4 AFSCME
MARCH 5, 2009

**RE: H.B. No. 6335 (RAISED) AN ACT CONCERNING THE UNIVERSITY OF
CONNECTICUT HEALTH CENTER FACILITIES PLAN.**

Good afternoon Senator Handley, Representative Willis and members of the Higher Education Committee. I am Sal Luciano, Executive Director of Council 4 AFSCME.

Our union represents 35,000 public service workers, including more than 250 administrative-clerical employees who work at the University of CT Health Center/John Dempsey Hospital in Farmington.

Our union urges you to oppose any takeover that would allow a private hospital to take over the University of Connecticut Health Center's John Dempsey Hospital.

Health Center employees believe in the public mission of the Health Center and the importance of education, research, and patient care.

That's why we're here today.

A takeover would be harmful to the public interest. It would be harmful to efforts to reform our state health care system. And it is harmful to Connecticut's taxpayers, who would be asked to foot the bill for a \$500 million replacement for Dempsey.

Many state legislators and the Governor have asked us, in the alternative, to suggest money saving suggestions for the State.

First, we suggest that a thorough review be done of accounts receivable at the hospital. Management of accounts receivable is extremely important for all hospitals, but is especially important for the State, operating as it does on an annual budget basis.

Second, we suggest that the University be fully paid by the other area hospitals that are making use of the residents and students sponsored by the University. The University (and Dempsey) receives nothing in return for indirect costs associated with administering the program, which total several million dollars.

Finally, we suggest that in-house management be held accountable for its decision-making. Until recently, the Dempsey Hospital was showing a profit (3.85% total margin in 2005, 2.05% in 2006).

Now, with University leaders working with Hartford Hospital on a takeover plan, their attention has waned. Is it any surprise there is a deficit?

It's a tribute to the professional workforce at Dempsey, including the workers we represent, that the institution provides great clinical care, education and research.

UConn Health Center/John Dempsey Hospital employees are dedicated to the public service mission of their institution. They've remained dedicated throughout the recent turmoil.

It's time we ask the same dedication of Health Center management?

Working together, we can make the Health Center better and more economically viable.

Allowing the Health Center and John Dempsey Hospital to be swallowed by Hartford Hospital is a recipe for disaster.

Has anyone considered what the ramifications are if this union of two very different institutions fail?

This question is very important because private and public mergers/takeovers usually do fail.

Thank you.