Saint Mary's
HOSPITAL

TESTIMONY OF

Saint Mary's Hospital

BEFORE THE
APPROPRIATIONS COMMITTEE

Friday, March 4, 2011

HB 6380, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2013

St. Mary's Hospital appreciates the opportunity to submit testimony concerning **HB 6380, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2013.**

We at Saint Mary's Hospital appreciate the difficult times here in Connecticut and the pressures that all of us are facing with the current budget deficit. In fact, during the past several years, the entire Saint Mary's Hospital team—including our Board of Directors, physicians, and staff—have taken on the extremely difficult work of stabilizing our operations in a challenging economic environment. We have reduced our staff, increased operating efficiencies, and implemented an aggressive expense control program. Throughout all of this, our commitment to mainting a very high quality level of care all of our patients and our community remains as our primary goal.

We play our part in these tough times. Hospitals become primary care service providers to patients - particularly Connecticut's most needy citizens. Saint Mary's Hospital in particular is acutely aware of the ever growing needs of the Medicaid population. For more than 100 years we have served the Greater Waterbury community, including those who have little or no ability to pay. For 2009, in fact, 2,603 patients, or 17% of our total population were Medicaid discharges—the fourth highest percentage in the State. We provide an invaluable service to this population at a time when they need us most. Unfortunately, the current economic climate has made it even more challenging for our many of our citizens, and the ranks of the Medicaid population continue to grow.

What these facts point out that Saint Mary's is among the leading providers of Medicaid services, yet unfortunately also among the lowest paid!

HB 6380 provides the details for implementing the proposed state budget. We have serious concerns with this bill because it cuts $83 million in funding from the Uncompensated Care and DSH pools, imposes a 5.5 percent tax on hospitals, and makes a

number of other reductions and changes to the Medicaid program that will negatively affect my hospital and the community and patients we serve. We are fearful these budget actions threaten our hospital's ability to serve our community. We have heard that there are winners and losers in this proposal - we all know that the details are key. We want to ensure that our hospitals and our communities are not the losers in this proposal. We welcome the opportunity to work with the administration and the committee to ensure that the details of this proposal results in a net positive for the state.

Again, we understand that Governor Malloy is facing an unprecedented state budget deficit and has the tough job of balancing needs and resources. We are all too familiar with the tough choices he must make. However, we know that imposing a hospital tax or eliminating funding for uncompensated care will hurt the health of Connecticut citizens and the economy of our state.

This is not the time to dismantle the healthcare system. There are better options that provide the opportunity for expanding access, reducing the state deficit, reducing the cost shift to Connecticut businesses and employees, and helping address the hospital funding shortfall.

We urge you to consider the Connecticut hospitals in your discussion and join us in saying NO to hospital taxes and funding cuts that would adversely affect Connecticut citizens.