



DAVID A. WHITEHEAD
PRESIDENT AND
CHIEF EXECUTIVE OFFICER

TESTIMONY OF
DAVID A. WHITEHEAD
PRESIDENT AND CHIEF EXECUTIVE OFFICER
THE WILLIAM W. BACKUS HOSPITAL
BEFORE THE
APPROPRIATIONS COMMITTEE
Friday, March 4, 2011

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

The William W. Backus Hospital in Norwich, Connecticut, appreciates the opportunity to submit testimony concerning **HB 6380, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2013.**

Specifically, I would like to address — and ask that you oppose — this bill's proposals to:

- Cut \$83 million in funding from the Uncompensated Care and Disproportionate Share (DSH) pools;
- Impose a 5.5% tax on hospitals through a so-called "provider fee";
- And further reduce and alter the Medicaid program.

These budget proposals, contained within HB 6380, will harm my hospital's ability to serve our community in the poorest part of our state.

Combined, cutting the existing DSH funding and imposing a redistributive provider tax would cost Backus Hospital \$1,420,764.

My colleagues and I understand and appreciate Governor Malloy's call for "shared sacrifice." At Backus, sharing on behalf of the community is part and parcel of our mission. For example, during Fiscal Year 2010, Backus provided \$65,155,861 in uncompensated care, including \$2,836,240 in charity care. In addition to these amounts, the hospital provided a community benefit equivalent to \$5,401,981 for the year, including a number of community health improvement initiatives, research and community-building activities.

It is easy to think of hospitals simply in terms of the care they provide. But we need to remember that hospitals are also a big part of local communities' economies. Backus is a community hospital that is a vital part of eastern Connecticut's community, business and social fabric. Backus employs more than 1,700 full- and part-time employees — making Backus the largest employer in Norwich. The hospital provides acute care services for nearly one-quarter million residents in eastern Connecticut.

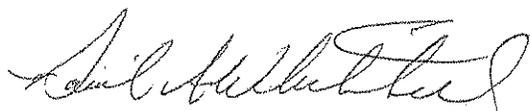
In addition to these direct cuts, our community would be further impacted by proposals to eliminate funding for hospital outpatient services, cutting non-emergency dental services for adults under Medicaid, and imposing co-pays on the already indigent. These and other proposals included in the budget would shred eastern Connecticut's healthcare safety net.

Further, these sorts of cuts are extremely short-sighted. Patients in need of these reduced or eliminated health services will instead seek care at hospital emergency departments — often presenting with more acute healthcare conditions, and requiring higher-cost care.

These are hard times for Connecticut; there is no doubt about that. But options that tax hospitals, cut funding for uncompensated care and remove access to life-saving programs for our most needy residents is not a thoughtful solution.

I urge you to join with my hospital colleagues and others in opposition to HB 6380, and to join us in saying "NO" to hospital taxes and healthcare funding cuts.

Thank you for this opportunity to provide testimony.

A handwritten signature in cursive script, appearing to read "David A. Whitehead".

David A. Whitehead
President and Chief Executive Officer
The William W. Backus Hospital