



TESTIMONY OF

Elliot Joseph
President & CEO, Hartford HealthCare and Hartford Hospital

**BEFORE THE
HUMAN SERVICES COMMITTEE**

Tuesday, March 15, 2011

**SB 1013, AN ACT CONCERNING THE GOVERNOR'S BUDGET
RECOMMENDATIONS CONCERNING HUMAN SERVICES**

Hartford HealthCare and Hartford Hospital appreciates the opportunity to submit testimony concerning **SB 1013, AN ACT CONCERNING THE GOVERNOR'S BUDGET RECOMMENDATIONS CONCERNING HUMAN SERVICES.**

Distinguished chairs and members of the committee, my name is Elliot Joseph, and I am President and CEO of Hartford HealthCare and Hartford Hospital.

Hartford HealthCare is a regional system that includes Hartford and Windham hospitals, The Hospital of Central Connecticut and MidState Medical Center. Our member organizations also provide laboratory, home care, rehabilitation and behavioral health care services in more than 80 communities throughout Connecticut. With 15,000 staff members, we are one of Connecticut's largest employers. Our network is the state's second-largest provider of Medicaid services.

I'm here to address a number of proposals in the governor's budget that could profoundly affect patients and families across Connecticut. Notably, these include the re-imposition of a hospital provider tax, a sharp reduction in state support for uncompensated care, elimination of DSH payments, and the end of state support for LIFE STAR, the state's only licensed air ambulance system.

First, let me say that everyone at Hartford HealthCare understands that the state's budget situation is serious. We work hard to live within our means and understand that the state must do the same. In practicing efficiency and frugality, we try to stay focused on the big picture: the long-term health and well being of the families we serve. Hartford Hospital alone has been here for more than 150 years – through good times and bad. In 2009, Hartford HealthCare provided more than \$91 million in uncompensated care, including \$35 million in charity care. With unemployment high and families struggling, we see these numbers rising.

Hartford HealthCare organizations – and the state’s other non-profit hospitals – form a critical safety net, providing care for our most vulnerable citizens. In addition, the health care sector has been relatively strong in a lackluster economy, providing needed jobs and generating vital commerce. Also, the state’s exceptional health care system keeps patients close to home, acts as a magnet for new businesses and helps retain jobs.

The proposed budget changes would mean a loss of \$25 million to Hartford HealthCare members in the next fiscal year, which would be a significant blow to our budget and force us to halt our efforts to reinvest in the technology that creates the value driven health care delivery system that will ultimately reduce costs while ensuring the highest quality of care for all patients. These cuts will unquestionably result in cuts to real programs for real people.

Whatever happens with federal reform, it’s clear that the cost of care in the United States is too high and rising too fast. Washington doesn’t want to pay for medical services anymore; it wants to pay for results. At Hartford HealthCare, we are inventing a new way of providing care that is cost efficient, well coordinated and of the highest quality. We want to sustain and improve the health of our communities – not just care for people when they’re ill. The state, as a major buyer of hospital services, could play a role in moving hospitals from sick care to real health care.

It may sound like a contradiction, but we must invest, even in this new, cost-conscious era. We must upgrade our technology to achieve the efficiency and the reliable quality we seek. We are leading a statewide effort in health information technology. The loss of millions of dollars of revenue could threaten our future as a leader in health care, as an engine of statewide commerce and as a partner and resource for individuals, families and communities across Connecticut.

I urge you to reconsider these proposals with an eye toward protecting and strengthening the state’s non-profit hospitals at a time when the care they provide is needed more than ever.

Thank you.