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From: Suzan & Steve Wallace <wallaces@optonline.net>
Sent: Thursday, February 21, 2013 9:57 AM
To: AppropriationTestimony
Cc: Wallace, Stephen
Subject: Fw: healthcare budget cuts

From: Wallace, Stephen
Sent: Wednesday, February 20, 2013 4:30 PM
To: Cc: Subject: healthcare budget cuts

To the members of the Appropriations Committee,

Greetings. I know that Gov. Dannel Malloy faced difficult choices developing his state budget for FY 2014-2015. The state has a budget deficit of more than \$1 billion. And because health care makes up a large slice of the state budget, rethinking care delivery has to be part of the solution.

But these proposed cuts are severe. It is estimated that for the rest of this fiscal year through fiscal year 2015, this budget would reduce Hartford HealthCare's anticipated state Medicaid revenue for our four acute-care hospitals by nearly \$138 million.

For The Hospital of Central Connecticut, that total would be more than \$50 million over three years, an astounding 35% of our Medicaid revenue.

I feel strongly that the cuts being proposed unfairly burden the state's hospitals and target funds that hospitals depend on to care for our neediest patients. These reductions come at a time when Hartford HealthCare is investing in areas such as care coordination and electronic health records to create a system that provides consistently better care at lower cost. I believe such a system – as described in the system's vision – is one of the long-term remedies to the state's health care budget dilemma.

The Hospital of Central Connecticut and Hartford HealthCare have worked diligently to stay on top of our budget situation. We have achieved considerable permanent cost reductions as a result of working together while simultaneously improving the quality of the care we provide, and that journey will continue. But the transformation to a health system of the future cannot happen overnight. It requires investment and time.

We are creating better and more cost-effective care in Connecticut. However, we cannot fulfill our vital safety-net role and build out our new system with these massive cuts staring us in the face.

Please take note, members of the Appropriations Committee, that I, and my peer healthcare professionals, oppose these, and any similar cuts that threaten the care of our most vulnerable residents and that endanger the economic future of Connecticut's hospitals.

Thank you for your time and attention.

G. Stephen Wallace, MSN, RN
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