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**Saint Mary's**  
**HOSPITAL**

TESTIMONY OF

Saint Mary's Hospital

BEFORE THE

APPROPRIATIONS COMMITTEE

Friday, February 22, 2013

HB 6350, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015 AND OTHER PROVISIONS RELATING TO REVENUE

Good evening Senator Harp, Representative Walker, Senator Kane and Representative Miner, we at Saint Mary's Hospital are writing to express our serious concerns with the proposed cuts to hospitals proposed In **House Bill 6350, An Act Concerning the Budget for the Biennium Ending June 30, 2015, and Other Provisions Relating to Revenue.**

According to estimates that we have seen, these cuts represent **\$6.5 million in FY2014 and \$9.6 million in FY2015 - more than \$16 million over the biennium to Saint Mary's Hospital.** These cuts are in addition to the more than \$3.6 million that we were cut in the most recent deficit mitigation plan. These cuts are in the state's Disproportionate Share Program and in reducing the amount of dollars that are redistributed back to hospitals from the tax that was imposed on hospitals in July 2012. These reductions are drastic and will have a very serious impact on Saint Mary's ability to provide quality health care to our patients.

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. We have withstood the cuts imposed in 2011 and paid our "shared sacrifice" in the last budget and again in the recent mitigation package. We are a major employer and have many fixed costs so we do understand the state's fiscal position. 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 maintaining a very high quality level of care for 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. We consistently serve amongst the highest percentage of Medicaid discharges 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 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!

We would like to make the committee aware that the reimbursements that we receive from the state do not even cover our costs for providing services to these patients. The proposal to further slash and ultimately end these reimbursements without any assurances that they can be made up is frightening. 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 these funding cuts that would adversely affect Connecticut citizens.