



Testimony of Deborah Chernoff, Public Policy Director
District 1199, Service Employees International Union
Before the Public Health Committee

Supporting: SB 687, SB 249, SB 809, SB 810, SB 811. SB 812, SB 813, SB 814, SB 815, SB 916, SB 954, SB 993, and HB 6938

Good afternoon, Senator Gerratana, Representative Ritter and distinguished members of the Public Health Committee. For the record, my name is Deborah Chernoff and I serve as Public Policy Director for the 25,000 health care workers of District 1199, Service Employees International Union.

On behalf of our membership, who are both consumers and providers of care in Connecticut's hospitals, thank you for this opportunity to testify in favor of all of the hospital bills you are considering during today's hearing. These bills would improve current public policy supporting our acute care system; the large number and diverse nature of these bakers' dozen of bills is in itself testimony to the complexity of that system in a time of tremendous change in the structure of these critical organizations and the delivery of services.

Each of these bills addresses issues that need your attention to build and support an acute care system that meets the needs of Connecticut citizens. I will focus my testimony today on two: Senate Bills 813 and 954, both of which would foster greater public transparency.

SB 813: AAC Health Care Price, Cost and Quality Transparency

This legislation would empower consumers to make well-informed health care decisions by making available plain-language information regarding hospitals' quality, price and cost of health care services. The members of District 1199 strongly support this bill.

More than ever, consumers are being asked to make smart and financially responsible decision regarding their care—and potentially being penalized by their insurers when they choose more expensive options. We all have a big stake in using our health care resources wisely, but it's impossible to make well-informed decisions absent clear, accessible and understandable information. Health care data in general and hospital information in

particular has long been opaque, confusing and difficult to find, even for providers. Marketing efforts, particularly for specialty services, can further obscure comparisons between service providers.

This bill would support transparency about multiple aspects of a hospital's pricing, actual costs and quality outcomes in a timely fashion; in clear, plain language and in easily-accessed formats. Clear thinking requires clear and complete data; the doctors, nurses, patient care associates, therapists and support staff members of our union thank you for raising SB 813.

SB 954: AAC Transparency of Executive Pay in Certain Hospital Transactions

The acute care landscape is changing rapidly, across the country with more consolidations and in Connecticut, with the growing interest of proprietary organizations in acquiring non-profit hospitals.

Governor's Bill 954 proposes key amendments to the current statute regarding the Certificate of Need Process related to that changing landscape. The additional language contained in this bill will promote transparency and disclose any potential or real conflicts of interest for current officers, board members, directors or senior managers of a non-profit hospital both before and after a proposed sale or transfer of assets by:

- disclosing potential salaries, severance payments, stock offerings or other financial gains *prior* to a proposed sale of transfer of assets of operations; and
- reporting any salaries, severance payments, stock offerings or other financial gains realized in the fiscal year as a result of such a transaction *following* a sale.

The citizens of Connecticut have both a right and a need to know that decisions regarding hospital sales, consolidations or conversions are being made for the right reasons and for our mutual benefit. Public disclosure of the newly-required information will promote public confidence that the needs of our communities and populace are put first and foremost.

We also must remind ourselves that Connecticut hospitals take in billions of dollars each year in revenue generated by public monies, in the form of Medicare, Medicaid and other

taxpayer-funded programs. Collectively, we need to know not only where our tax dollars are being expended but why. Transparency serves that need; it's not just a desirable improvement to current public policy but a necessary one.

The members of District 1199 thank the Public Health Committee for raising these important bills that strongly promote transparency and look forward to working with you to shape the future of acute care in Connecticut.