



**TESTIMONY OF DAY KIMBALL HEALTHCARE  
SUBMITTED TO THE APPROPRIATIONS COMMITTEE  
FRIDAY, FEBRUARY 27, 2015**

**HB 6824, An Act Concerning The State Budget For The Biennium Ending June 30, 2017, And Making Appropriations Therefor And Other Provisions Related To Revenue**

Day Kimball Healthcare appreciates the opportunity to submit testimony concerning HB 6824, An Act Concerning The State Budget For The Biennium Ending June 30, 2017, And Making Appropriations Therefor And Other Provisions Related To Revenue. This bill would reduce Medicaid reimbursement rates, expand the hospital tax, and add new regulatory burdens. It is focused on short-term budget fixes, when what we need is a long-term plan for hospital sustainability in Connecticut. For those reasons, Day Kimball Healthcare opposes this bill.

Day Kimball Healthcare serves more than 4,500 inpatients and 72,000 outpatients each year through our hospital services and our medial group. We employ 1,400 people, including 75 medical staff with an additional 200 associated medial staff providing services in our community. Beyond the lifesaving care we provide 24 hours a day, we contribute \$230 million to our local and state economies each year.

Day Kimball Healthcare is focused on providing safe, accessible, equitable, affordable, patient-centered care for everyone who walks through our doors. We are finding innovative solutions to integrate and coordinate care to better serve our patients and communities. But this job is much harder because we are under significant financial stress.

That's money we would have invested in accelerating our transformation through integration of technology systems for effective and efficient continuum of care; capital improvements to aging facilities; employee salaries and benefits of which 86% live in Connecticut; and more aggressive recruitment of primary care physicians to our region to address an aging physician team and sustain access to care. Instead, we have experienced two consecutive years of loss totaling \$14 million; we have already lost more than \$11 million from the state in the last two years to support our care of Medicaid patients in our region (which is approximately 20% of patient mix); we have virtually no capital budget for strategic endeavors to address the changing landscape of health care; we have reduced our workforce by close to 100 FTEs; we have minimized our capacity for patient care growth in service areas across the system and we have increased the burden of health care benefit costs onto our employees.

The Governor's proposed budget would expand the hospital tax to \$514.4 million each year, cut Medicaid rates, and eliminate the low-cost hospital pool for FY 2016 and 2017. It would not distribute enhanced revenue on hospital supplemental payments due for FY 2014 and 2015, and would eliminate payments in the future. It would also limit the use of tax credits for businesses and hospitals.

In short, this budget would add even more financial pressure at a time when we need relief. We know the state is facing a challenging budget, but we have already been cut and taxed so significantly that it is hurting patient care, access, jobs, and our economy.

Added to these very serious budget concerns are a number of challenging regulatory issues we face this session that would burden and constrain our hospital, impeding our ability to move care forward in line with the expectations set forth by federal healthcare reform.

Our community members need their hospital to be there to protect them when they have an emergency. We need a sustainable healthcare environment in our state, not more cuts and taxes. Vote "No" on the hospital cuts and taxes contained in HB 6824. Thank you for your consideration of our position.