



**TESTIMONY OF
HARTFORD HOSPITAL
SUBMITTED TO THE
FINANCE, REVENUE AND BONDING COMMITTEE
Monday, March 9, 2015**

SB 946, An Act Concerning Revenue Items To Implement The Governor's Budget

Hartford Healthcare appreciates the opportunity to submit testimony concerning **SB 946, An Act Concerning Revenue Items To Implement The Governor's Budget** and would like to express opposition to the bill. 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.

Hartford Healthcare has an important role in this state has a major employer and contributor to the economy. With over 18,000 employees, Hartford Healthcare is one of the largest employers in the state. Our five acute care hospitals provide high-quality primary and specialty care to local communities. We spend millions of dollars annually on salaries, medical supplies, food, equipment, and facility expansions and improvements. These dollars have a multiplier effect on the larger economy, generating jobs, spending, and economic activity within the region. We have as a system, had a direct economic impact on our communities of more than \$4 billion.

Two years ago hospitals across the state faced daunting cuts due to the state budget difficulties of the last biennium. When we were cut by \$111 million in 2013, Hartford Healthcare had to make difficult decisions that affected people's lives, not only our patients but also our employees who every day deliver great care at our five acute care hospitals across the state-Hartford, Meriden, New Britain, Norwich and Windham. These included closing an adult psychiatric clinic, allied health schools, a physical therapy office and nursing units. Also we reduced hours of service to cardiac rehabilitation, infusion and wound centers. For our employees, the cuts meant implementation of a new health plan with significant cost sharing; raising the requirement for employee to access health benefits from 20 hours to 24 hours per week; and a cost of living increase that went down from 3% to 1.2%. Finally, 375 positions were eliminated that year. In 2014 there were further staffing reductions amounting to 405 positions being eliminated, the bulk of those coming from Hartford Hospital.

Looking at the proposed budget for DSS, the reduction of the Medicaid provider rates, elimination of the low- cost hospital provider pool and an increase in the hospital provider tax represents a significant cut to all hospitals in the state. For Hartford HealthCare it amounts to a \$41 million cut over two years. If these cuts were to become reality, Hartford HealthCare would be forced to: restrict operations or even close clinics on our other campuses, close inpatient and outpatient services across the system, reduce behavioral health programs including our schools that on average serve more than 200 students a day. Not only will services to our patients be affected but it will mean another round of staff reductions.



The proposed funding reductions will have an impact on our ability to continue to increase health care access in local communities and to contribute to the economic vitality of the communities we serve. We need a sustainable healthcare environment in our state, not more cuts and taxes. Vote "No" on the hospital cuts and taxes contained in SB 946. Thank you for your consideration of our position.