



TESTIMONY
FINANCE COMMITTEE
Monday, March 9, 2015

SB 945, AN ACT CONCERNING THE TAX EXEMPT STATUS OF CERTAIN HOSPITAL FACILITIES

SB 946, AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET

Yale New Haven Health System (YNHHS)-- Connecticut's leading healthcare system with over 20,000 employees and 6300 medical staff appreciates the opportunity to submit testimony concerning ***SB 945, AN ACT CONCERNING THE TAX EXEMPT STATUS OF CERTAIN HOSPITAL FACILITIES and SB 946, AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET.***

The Yale New Haven Health System, through Bridgeport, Greenwich and Yale-New Haven Hospitals, and their affiliated organizations, including the North East Medical Group, strives to provide access to integrated, high-quality, patient-centered care in collaboration with others who share our values. We offer our patients a range of healthcare services, from primary care to the most complex care available anywhere in the world. Inside Yale-New Haven Children's Hospital, we care for more children than any other provider in the state. 55% of our kids are insured by Medicaid. We care for our State's most vulnerable population, by providing psychiatric care to children, young adults, adults and the elderly who come to us from every corner of Connecticut. The majority of these patients are also insured by Medicaid.

YNHHS hospital affiliates care for more than one quarter of the State's Medicaid enrollees and, last year, provided **over \$180 million in free and uncompensated care** to those who needed our services and could not pay for them. Every day, our staff cares for individuals and families who lack access to medical, dental and behavioral health care. Our emergency departments are filled with individuals who do not have anywhere else to go for medical or mental health care. In 2014, we provided over 4500 psychiatric assessments to children in our emergency departments. In the winter, those in need of shelter from the cold come to us. Many of these patients are covered by Medicaid and, while the coverage is superior, access continues to be limited. During the frigid winter months, they do not come to us for medical care, they come to us, and we provide, shelter. As predicted, the Medicaid population is steadily growing, as is our Medicaid loss. Currently, Medicaid reimburses us 54 cents per dollar of cost and the proposed budget seeks to further reduce Medicaid rates.

Connecticut's Hospital industry has suffered from recent budget cuts and the tax. Over one thousand jobs have been lost statewide. Programs and services have been cut. We've done extraordinary things to reduce our costs and, thus far, have minimized the impact to our patients and employees at Yale New Haven Health.

The Connecticut Hospital Association has estimated the 2-year direct impact of the budget before you for its members. For Yale New Haven Health, it is projected to be over \$285 million with the Medicaid cut and increased hospital tax. Investing in better care for the people of Connecticut is a good investment for the state. Destabilizing hospitals will reduce access and cost jobs.

At Yale New Haven, we will continue to focus our energy and resources on quality and patient safety initiatives, efforts to improve care efficiency and those that maintain access. Our patients, employees and communities are relying on you. We urge you oppose the increase in the hospital tax and the revocation of tax exempt status in the bills before you.

Together with our patients and over 20,000 employees, we thank you for your consideration and support.