

**Testimony of Tom Swan**

**Executive Director of the CT Citizen Action Group (CCAG)**

**Before the Public Health Committee**

**In regards to SB 809 AAC Facility Fees, SB 810 AA Establishing a Special Commission on Provider Price Variation and Reform, SB 916 AAC Hospital Conversions, SB954 AAC Transparency of Executive Pay in Certain Hospital Transactions, HB 6938 AAC the Delivery of Quality Health Care and Modernization of Health Care Facilities.**

**March 11, 2015**

Senator Gerratana, Representative Ritter, and other members of the Committee, my name is Tom Swan and I am the Executive Director of the Connecticut Citizen Action Group (CCAG). On behalf of CCAG's member families I want to thank you for holding today's hearing addressing many crucial issues surrounding Connecticut's health care delivery system.

To start I want to applaud the Office of Health Care Access for doing their due diligence around the proposed sale of Waterbury Hospital to the Tenent Corporation and Governor Malloy for not succumbing to Tenent's bullying tactics. While we believe we are better not having Tenent pilfering our acute care hospitals, we do believe that we need to develop a shared strategy around the future of our health care delivery system that emphasizes our residents' health and recognizes the vital roles that hospitals play in our economy. The bills you are hearing today are a good step in refining that strategy and look forward to working with you on strengthening them to build a better health care system.

The first bill I would like to address is SB 809 AAC Facility Fees. We believe CT should ban such fees and that all of the patient costs should be included in one bill. Short of that, SB 809 is a good pro-consumer effort to stop this predatory practice and to make sure patients' insurance actually covers the cost of care.

SB 810 AA Establishing a Special Commission on Provider Price Variation and Reform would allow for greater transparency and accountability in our health system. We recommend you consider adding some teeth to this proposal and think about reinstating something like the earlier Hospital Cost Containment Commission that would regulate hospitals like a public utility.

SB 916 AAC Hospital Conversions. While CCAG supports the overall thrust of this bill, especially clarifying a stronger role for the Attorney General in hospital consolidations, we are concerned with section 11. For-profit Hospitals should be expected to pay their fair share in property taxes and not get a tax break by only paying the PILOT rate for taxes. We do believe that non-profit consolidations should be expected to pay the reduced PILOT rate in property taxes.

SB954 AAC Transparency of Executive Pay in Certain Hospital Transactions. CCAG supports this proposal, but urges you to broaden it to include for a broader range of executives and board members of both hospitals and health systems.

The final bill I want to comment on at this time is HB 6938 AAC the Delivery of Quality Health Care and Modernization of Health Care Facilities. This bill has the potential to provide hospitals with the access to

the capital they state they need without turning them over to speculators on Wall Street. It also can give us the mechanism that will allow us to design the type of publicly accountable health care system of the future that we deserve. A specific example is the idea of trying to re-position the SIM money to help build a health system in greater Waterbury.

We hope that this committee will pass a version of this legislation that makes portions of these proposals actionable and that establishes a mechanism to ensure any money spent is building the type of health care system that prioritizes patient health and protects our communities' economic well-being.

Thank you for your time and consideration.