



**TESTIMONY OF
Hartford HealthCare
SUBMITTED TO THE
FINANCE, REVENUE AND BONDING COMMITTEE**

MARCH 28, 2016

**SB 464 AN ACT ESTABLISHING THE HARTFORD FINANCIAL
SUSTAINABILITY COMMISSION**

Hartford HealthCare appreciates the opportunity to submit testimony on SB 464 “An Act Establishing the Hartford Sustainability Commission”. We oppose section seven of the bill that would allow the city of Hartford to enter into negotiations with large non- profit organizations for a PILOT program.

We are acutely aware of Hartford’s budget crisis and we applaud Mayor Bronin’s efforts to candidly address the structural issues of the city’s budget. That being said, Hartford HealthCare and its five acute care hospitals are facing an even larger fiscal crisis than the city. The mayor recently shared that the city is facing a \$46 million budget gap for FY ’17; at Hartford HealthCare, our gap is \$96 million. He also noted that in the last three weeks the city’s bond rating has fallen from double A- to A+, HHC’s rating is A, lower than the city’s.

With a little over three months left in the state fiscal year we have yet to be paid for the care we’ve given to Medicaid patients and recent communication from OPM stated that they “are not optimistic “ that we will be paid this year. For the HHC system that would be \$110 million cut and for Hartford Hospital that is a \$58 million loss in payments for services already rendered

Hospitals in Connecticut have been dealing with an unfair provider tax since 2012 and it has cost our system over \$300 million and 1000 jobs.

Hartford Hospital employs over 6,000 people and those jobs create an additional 5,800 jobs for the local economy. The hospital has a direct economic impact on the local community of \$2,236,623,000. Additionally, Hartford Hospital provides \$104,946,358 in community benefits through uncompensated care, subsidized health services, cash and in-kind contributions to community groups.

This is a very difficult time for all hospitals in the state; in our system all five hospitals have to severely reduce their budgets for the next fiscal year. Hartford Hospital needs to cut \$56 million from the '17 budget and is now making decisions on what services and programs will be cut or reduced. To allow the city to impose a PILOT at this time on Hartford Hospital further jeopardizes patients, employees and the city's economy. We urge the Committee to delete section seven of the bill. Thank you for your consideration.