



State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE SUSAN M. JOHNSON
FORTY-NINTH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING
ROOM 4100
HOME: 860-423-2085
CAPITOL: 860-240-8585
TOLL FREE: 800-842-8267
FAX: 860-240-0206
E-MAIL: Susan.Johnson@cga.ct.gov

DEPUTY MAJORITY LEADER

MEMBER
APPROPRIATIONS COMMITTEE
EDUCATION COMMITTEE
INSURANCE AND REAL ESTATE COMMITTEE

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Senator Gerratana, Representative Ritter and distinguished members of the Public Health Committee. Thank you so much for Raising HB 5211 An Act Concerning Certificates of Need and HB 5174 An Act Concerning Salaries For Nonprofit Hospital Administrators. I am here to provide testimony in support of both bills.

I represent the 49th House District of Windham which is also the location of the Windham Community Memorial Hospital (WCMH). WCMH is a private nonprofit hospital affiliated with Hartford Health Care (HHC). Last summer the CEO of WCMH proposed reducing, changing and eliminating several of the services it provides. The proposal to eliminate or change the Critical Care Unit also described as the Intensive Care Unit to a Progressive Care Unit would change how emergency and surgical services would be provided at WCMH. Medical doctors and nurses at WCMH stated on several occasions that a change in this type of specialty service would cause doctors to have to resort to the services of other hospitals that have fully operational CCUs. When a fully operational CCU isn't available emergency services and some surgical procedures may be more safely provided in a hospital that has those services according to the doctors and nurses who contacted us at the informal public forums that were held over the summer. In fact, the doctors voted unanimously against making the change from a CCU to a PCU in their "Division of Medicine" meeting precisely for safety reasons.

Late in the summer of 2015 WCMH wrote to the Office of Health Care Access (OHCA) advising them of the changes they were planning to make. OHCA wrote back stating that a Certificate of Need Hearing was not necessary because the WCMH changes were reductions in services not an elimination of a specialty service. Once that determination was announced in a WCMH press release many professional providers in the Windham area medical community wrote to OHCA asking for a review of the determination. All of the arguments for a CON hearing can be read on the Department of Public Health website. There were numerous communications from community members including a petition with approximately 3,000 signatures and approximately 2,500 postcards all delivered to OHCA. Despite all of the requests made by medical providers and community members OHCA refused to conduct a CON

hearing. The existing statute was interpreted very narrowly. The analysis done by OHCA did not consider whether the new PCU would cause any safety issues for those being treated at WCMH.

Based on the unfair and negative experience of the Windham region I am very pleased with Raised Bill 5211 which really addresses the situation the Windham area was faced with when the WCMH CEO made the above stated proposals. However I would like to suggest the following to better ensure due process in any such situation:

1. In section 1(17) I propose that the trigger for a CON be whenever the provider has a 25% or greater projected decrease and include progressive care services in the list of "specialty services."
2. An additional item should be included in section 2 at the very end "Whenever a hospital proposes any diminution of any specialty service within 2 years after the reduction of the same specialty service per subsection (a)16 of this section."
3. Require public notice of proposed changes in a substantially circulated newspaper.
4. An OHCA determination that indicates a CON is not needed should be subject to the superior court appeal pursuant to 19a-641 as amended.
5. Finally, many of the doctors in the Windham area were concerned about patient safety because of the administration's proposed reductions in the CCU. California requires hospitals that plan reductions in the level of emergency services to first provide notice and also provide an impact evaluation report from the county where the hospital is located. In the Windham instance, Emergency Medical Service transportation was not given consideration. Fortunately the language in this proposed bill requires such consideration. There may be other considerations an impact statement might address like language barriers and patient mix, all of which were not considered by OHCA when WCMH made these changes.

Proposed Bill 5174, An Act Concerning Salaries for Nonprofit Hospital Administrators would better insure that the public funds that support our nonprofit hospitals will be used to continue to provide excellent patient care and access to care in Connecticut. As you know, nonprofit status is granted to business entities under the federal tax code to encourage philanthropic activities in our society. Hospitals and many types of health care organizations operate as nonprofit business organizations. When hospital administrators are paid millions of dollars and at the same time cutting services to the local community it is time to examine whether the tax payer should subsidize this sort of extravagance. While no one expects those who work in nonprofit organizations to take a vow of poverty, we probably do not want to pay salaries that would be more appropriate for businesses that operate purely for profit.

Tax payers on the federal, state and local level have provided subsidies to hospitals by eliminating federal, state and local taxes. If the hospital board chooses to pay its administrators salaries in the millions of dollars they can also afford to pay the state and local taxes. Most hospitals are located in cash strapped urban communities with a property tax bill that is much higher than their surrounding communities. To make urban low and middle income people carry the burden of making up the difference because hospitals with resources don't pay property taxes creates an unfair burden on these communities. Hospital workers and their administrators deserve a fair wage; however those wages should be in the context of today's economic circumstances.