



**TESTIMONY OF
GRIFFIN HOSPITAL
SUBMITTED TO THE
APPROPRIATIONS COMMITTEE
Thursday, February 11, 2016**

**HB 5044, An Act Making Adjustments To State Expenditures For The Fiscal Year
Ending June 30, 2017**

Griffin Hospital appreciates the opportunity to submit testimony concerning **HB 5044, An Act Making Adjustments To State Expenditures For The Fiscal Year Ending June 30, 2017**. This bill cuts more than \$90 million from core healthcare services – hospitals and vital mental health programs.

These cuts provide a short-term budget fix, when what the state needs is a long-term plan for hospital sustainability in Connecticut.

Griffin Hospital serves more than 6,800 inpatients and 184,000 outpatients each year. We employ 1,384 people, and have a medical staff of more than 330 physicians serving our community. Beyond the lifesaving care we provide 24 hours a day, we contribute more than \$255 million to our local and state economies each year and invest \$18.5 million in improving the health of our community.

Griffin Hospital provides core healthcare services to all of the people in Connecticut, 24 hours a day, regardless of ability to pay. We offer safe, accessible, equitable, affordable, patient-centered care that protects and improves peoples' lives.

But this job is much harder because we are under significant financial stress. For the past two years, while achieving gains from hospital operations, Griffin Hospital's parent corporation, Griffin Health Services, saw a large portion of those gains offset by losses in Griffin Faculty Physicians (GFP), our physician organization.

GFP employs not only Griffin's hospitalists and physician assistants, but also several community-based primary care and specialist physicians who collectively help ensure access to care in our community. How? By accepting Medicare and Medicaid as well as all major insurance plans at a time when declining reimbursements by Medicare and Medicaid have resulted in many private physicians across our state (and across the nation) no longer accepting new patients covered by these government programs.

Without organizations like GFP, many patients in our community would have little or no access to primary or specialist care other than our emergency department. As we all know, emergency department care comes at a much higher cost, and often at a later stage of illness, than if the patient was seen in the community. So, in effect, GFP physicians not only ensure access, but also help control the overall cost of care for these patients, which is a vital component of the state's efforts -- through the SIM initiative -- to transform care delivery for Medicaid patients. Currently one in five Connecticut adults and one in four children are covered by Medicaid, so this represents a significant part of our patient population. But this also creates an additional strain on our hospital's overall financial health, particularly over the past two years as the Medicaid population has grown and the per capita reimbursement to hospitals for those patients has declined.

Adding to this financial strain has been the hospital tax burden incurred during the same time period. Over the past two years, Griffin Hospital has paid \$12 million in hospital taxes to the state, receiving back less and less of that amount each time the state finds itself in fiscal crisis.

That's money we would have invested in vital infrastructure improvements, life-saving technology, and employee benefits. Instead, the hospital has had to forgo or curtail planned facility improvements, delay technology upgrades, and modify our employee benefit structure to control costs. As responsible stewards of this vital community asset, we had to ensure that our expenses did not exceed our revenues, but this is becoming increasingly difficult as our hospital tax burden continues to grow.

We know the state is facing a challenging budget, but we have already been cut and taxed so significantly that it is hurting patient care, access, jobs, and our economy. We are asking you to consider a solution that helps hospitals as well as the state:

The Connecticut Center for Economic Analysis at the University of Connecticut released an economic analysis showing that by returning to hospitals the taxes they pay to the state, the state can generate 6,600 jobs, and bring in close to \$35 million every year starting in the first year. This solution would enable the state to grow jobs and revenue quickly, and maintain it -- as well as strengthen our healthcare system -- for years to come. Investing in hospitals is a win for our state's economy, patients, communities, and healthcare system.

Our community members need their hospital to be there to protect them when they have an emergency. We need a sustainable healthcare environment in our state, not more cuts and taxes. Vote "No" on the hospital and healthcare cuts contained in HB 5044. Thank you for your consideration of our position.