



**TESTIMONY OF
STUART ROSENBERG
PRESIDENT
JOHNSON MEMORIAL HOSPITAL
SUBMITTED TO THE
FINANCE, REVENUE, AND BONDING COMMITTEE
Monday, April 29, 2019**

Good morning/afternoon. My name is Stuart Rosenberg, and I am the President of Johnson Memorial Hospital. I am here to testify in opposition to **SB 1137, An Act Concerning Deposits In Lieu Of Taxes, and SB 1138, An Act Concerning Community Restoration Funds.**

Trinity Health Of New England includes Saint Francis Hospital and Medical Center and Mount Sinai Rehabilitation Hospital in Hartford; Saint Mary's Hospital in Waterbury; and Johnson Memorial Hospital in Stafford Springs. In addition, our ministry includes an acute care hospital in Springfield, Massachusetts, physician practices, an ambulatory services network, and post-acute care services. We are more than 13,000 health care providers committed to being a transforming and healing presence in the communities we serve. Our hospitals provide more than 265,000 emergency department visits, 40,000 surgeries and 5,000 births annually. However, a tax like this would have a significant financial impact on Johnson Memorial Hospital which owns over 100 acres of property in Stafford Springs and almost 10 acres in Enfield affecting our ability to continue to do so.

I am here today to express my concern and opposition to **SB 1137, An Act Concerning Deposits In Lieu Of Taxes, and SB 1138, An Act Concerning Community Restoration Funds**, which would each require a not-for-profit hospital to pay an annual fee to the state treasurer in an amount equal to 25% of the sum such hospital would have paid to the municipalities in which the real property is located, if such property were subject to the local property tax, to fund community restoration and revitalization activities. We object to this proposal as a thinly disguised effort to impose a hybrid form of property tax on not-for-profit acute care, chronic disease, children's, and psychiatric hospitals and health systems. We believe that Connecticut citizens are already well-served by a system through which hospitals and their community partners identify and address the medical, behavioral health, and social service needs that are unique to each community.

There has long existed a tradition in this country whereby governments have elected not to impose property taxes or other such levies on providers of essential services that are religious, charitable or educational in nature. Connecticut has always held to that tradition until today.

Our hospitals do so much for our communities. In addition to partnerships in our communities to deliver outreach and support programs that address critical health needs for expectant mothers, for patients with diabetes, asthma and cancer, we even offer non-traditional services such as a food bank, which serves over 1,300 families each month. For example, Johnson Memorial Hospital alone has a total economic impact of over \$131 million in our region. This includes our purchasing, capital improvements and jobs. The list goes on and on. We continually invest resources into our communities to meet the health needs of the underserved and vulnerable community members bringing them healing, comfort and hope.

As a not-for-profit hospital, we are keeping our promise to state and local government to meet the healthcare needs of our residents by providing high quality healthcare, as well as an array of community benefits to enhance the quality of life in our cities and towns.

Hospitals and health systems treat everyone who comes through their doors 24 hours a day, regardless of ability to pay. Currently, Medicare and Medicaid underpays Connecticut hospitals nearly \$1.5 billion each year. In 2017, Connecticut hospitals incurred nearly \$763 million in Medicare losses, nearly \$679 million in Medicaid losses, and spent more than \$111 million on charity care. Adding to that cost is the hospital tax.

Please see that our commitment to our communities has not wavered, even while the financial burdens imposed on hospitals by the state have become more and more challenging. Trinity Health Of New England urges the Finance, Revenue and Bonding Committee to continue to recognize the unique and critical role we play in our communities. Please reject SB 1137 and SB 1138.

Thank you for your consideration of our position.