Chairman Fonfara, Chairman Rojas and members of the Committee, my name is Kim Harrison and I am the Vice President of Government Affairs for Hartford HealthCare. 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.

Both of these proposals would require non-profit hospitals to pay an annual fee to the state treasurer in an amount equal to 25% of the amount such hospital would have paid to the town in which the real property is located if such property were subject to the local property tax. This new fee, frankly a new tax, adds to an already significant tax burden for hospitals in this state.

As you heard in previous public hearings, HHC pays $182 million in Provider taxes to the state and over $7 million in property taxes to the communities in which we are located. These two bills would add another $15 million in taxes.

Our mission to improve the health and healing of the people and communities we serve is at the core of everything we do at Hartford Healthcare. Earlier this month at another Finance hearing our head of operations at Hartford Hospital spoke to you about that hospitals’ community benefits. To briefly recap, let me give you a few examples - The Brownstone Clinic has been in existence for over a hundred years treating the medically underserved and uninsured in the Hartford area. We provide adult primary care, dental care, access to specialists for chronic and infectious diseases and a unique clinical training experience for physicians and nurses. The Brownstone Clinics in total had over 40,000 patient visits last year with 85 percent of our patients receiving Medicaid coverage. The Dental Clinic alone had 20,000 patient visits in 2018.

Our Mobile Mammography clinic performed 1485 screenings and diagnosed 6 cancers. We provide mobile screening mammograms at employer locations,
federally qualified health centers, senior centers and senior housing, religious organizations, community health centers and other conveniently located community sites such as downtown Hartford. This is just a small snapshot of the kinds of community benefits that one of our six hospitals provides to their communities. Overall HHC provides over $265 million in community benefits.

It has been a long held value in our nation that government will not tax activities that sustain the health and welfare of its people, and state governments across the nation, including Connecticut, have included not-for-profit hospitals among this group of charitable providers. These proposals begin to erode long standing tax code and statutory protections and heads us down the path of taxing non-profit hospitals. I urge you to reject SB 1137 & 1138 - please do not impose additional tax burdens on hospitals and health systems.

Thank you for your consideration of our position.