



**TESTIMONY OF
ST. VINCENT'S MEDICAL CENTER
SUBMITTED TO THE
FINANCE, REVENUE, AND BONDING COMMITTEE
Monday, April 29, 2019**

St. Vincent's Medical Center appreciates the opportunity to submit testimony regarding its opposition to **SB 1137, An Act Concerning Deposits In Lieu Of Taxes, and SB 1138, An Act Concerning Community Restoration Funds.**

For 116 years, St. Vincent's Medical Center has provided high quality care for the Greater Bridgeport community. Founded in 1903 by the Daughters of Charity, we treat everyone who comes through our doors, 24 hours a day, regardless of ability to pay. We are one of the largest employers in the City of Bridgeport with more than 3,000 associates, including medical staff. In 2017, St. Vincent's total direct economic impact on our community was close to \$1.0 billion. We are a safety net hospital, and last year, delivered community benefit and charity care programs that directly serve the poor and vulnerable.

SB 1137 and **SB 1138** 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.

Imposing a new fee on not-for-profit hospitals will adversely impact St. Vincent's Medical Center and other healthcare providers and inevitably result in an increase in the cost of healthcare in Connecticut.

This new fee would also violate the long-cherished historical tradition in the United States not to impose taxes or other levies on providers of essential services that fortify the health and welfare of our people. State governments across the nation, including in Connecticut, have included not-for-profit hospitals among this group of charitable providers.

Connecticut's not-for-profit hospitals are keeping their 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.

Through community benefit programs, hospitals and health systems embrace their responsibility to improve the health of the people and communities they serve by working in partnership inside and outside their hospitals to build a healthier Connecticut. Today, hospitals are collaborating with community partners to deliver outreach and support programs that address critical health needs for expectant mothers and for patients with cancer, diabetes, and asthma; mobile vans and clinics delivering primary and preventive care; healthy lifestyle education programs; clinics for migrant farm workers; crisis intervention services; and many other programs targeted to meet specific community needs.

St. Vincent's is privileged to serve as one of the healthcare anchors in the Greater Bridgeport community and the State of Connecticut. We care for the sick and we also play a major and continually expanding role in improving community health. Working with our communities, we are identifying and addressing key health issues people are facing so they can live healthier, better lives. These programs include membership in the Health Improvement Alliance, which is a multi-stakeholder coalition working to improve the health and well-being of the Greater Bridgeport community. Participating in the Alliance are health care providers such as St. Vincent's and other hospitals and municipal health departments and governments, school districts, social service and faith-based agencies, local businesses, mental health providers, payers and advocacy groups, and the city of Bridgeport and the towns of Easton, Fairfield, Monroe, Stratford, and Trumbull.

St. Vincent's has worked on multiple initiatives in collaboration with the participants in the Alliance, including the Mental Health and Substance Abuse Task force initiative to establish a high emergency department utilizer Mental Health Patient Community Care Team (CCT) and supported several public awareness campaigns to destigmatize issues around mental health and provide training to providers and support to patients and their families.

In addition, St. Vincent's conducts multiple community screening and outreach programs, including cardiac, hypertension, oncology and diabetes. Regular "Know Your Numbers" events are held throughout the community – bringing education and screening including BMI, blood pressure, cholesterol to assist underserved populations to understand how to prevent cardiovascular disease and diabetes.

In FY 2017, St. Vincent's Parish Nurses screened more than 4000 individuals for cardiac disease in their faith communities. St. Vincent's in partnership with local food pantries helps to educate pantry staff and visitors to pantries with a "Stop Light" approach to making healthy food choices. We operate a farm stand in collaboration with the Wholesome Wave Foundation, making healthful locally grown food available to those in Bridgeport who need it most and to St. Vincent's employees. The collaboration has made it possible to double incentive coupons such as SNAP and WIC for people living below the income threshold.

St. Vincent's provides the resources for Bridgeport's Dispensary of Hope, a member of the national Dispensary of Hope Network. The Dispensary of Hope is a pharmacy offering medication free of charge to low income, uninsured and underinsured persons, a critical resource for reducing the need for hospital stays and avoiding emergency room visits. And St. Vincent's conducts an annual Medical Mission at Home, providing free medical exams, screenings, education and social and mental health services for homeless and uninsured persons in Bridgeport.

These additional fees will mean these initiatives may need to be placed on hold and continued deferment of new programming that could enhance and improve the quality of services that patients and their families rely on St. Vincent's to provide.

Hospitals and health systems treat everyone who comes through their doors 24 hours a day, regardless of ability to pay. Currently, Medicare and Medicaid underpay 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.

The commitment of Connecticut hospitals to their communities has not wavered, even while the financial burdens imposed on hospitals by the state have grown increasingly unbearable.

The staff and physicians of St. Vincent's Health Services are members of your communities. They work tirelessly to perform extraordinary acts every day- including serving patients with compassion, healing the sick, delivering babies, providing support for families in crisis and teaching future healthcare providers- ensuring that every day, our mission to meet the needs of the sick, poor, homeless, handicapped and frail elderly in the greater Bridgeport area is fulfilled.

We respectfully request you reject these proposals in order to ensure that this critical work is protected. We urge the Finance, Revenue and Bonding Committee to continue to recognize the unique and critical role hospitals play in their communities. Please reject **SB 1137** and **SB 1138**. Do not impose additional burdens on hospitals and health systems.

Thank you for your consideration of our position. For additional information, contact Dianne Auger, Senior Vice President and Chief Administrative Officer, dianne.auger@ascension.org or 203-395-4141.