

UConn HEALTH

Government Elections and Administration Committee Testimony

SB 1076

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Co-Chairs, Ranking Members, and members of the GAE Committee, thank you for the opportunity to submit testimony on SB 1076 An Act Concerning Public Private Partnerships and Privatization of State Services at the University of Connecticut Health Center.

UConn Health is a vibrant, high-performing state asset. With an annual operating budget of over \$1.2 billion (only 23% funded by the state), UConn Health employs over 5,100 full and part-time individuals working as physicians, dentists, mental health professionals, nurses, residents, research assistants, technicians, and many other positions. Driven in part by the state's Bioscience Connecticut investment, focused business development, marketing efforts and of course the hard work of our talented physicians, dentists, faculty and other employees, revenues have increased 60% over the past six years. We have seen 30% increases in class size with the past two incoming years the largest medical and dental student classes in history, expansions in research awards and growth in our small business incubator program.

In addition to generating \$2.2 billion in overall economic impact to the state, UConn Health fulfills its public mission of teaching the physicians, dentists, and scientists of tomorrow and providing high-quality patient care to all residents of the state, including the under and uninsured. We have patients from every city and town in the state who use our medical and dental services. We are the single largest provider of dental care to the uninsured and underinsured in the state, and we provide much needed mental health care and other specialty services for both inpatient and outpatient at levels not supported by most other private entities.

We have serious concerns with this bill. Sec 1(b) lines 24-28 "requires The University of Connecticut Health Center to obtain the approval of the General Assembly prior to soliciting bids or issuing a request for proposals for any proposed privatization contract or public-private partnership contract that is estimated to cost in excess of one million dollars annually". Both chambers of the General Assembly would have to approve each such proposed bid or RFP before UConn Health could move forward with a procurement process for the service. If the General Assembly is in session this would take up to 30 days; if the General Assembly is not in session, it could take up to 6 months or more.

This language is simply not workable and would drastically impede our regular and necessary operations. UConn Health is a \$1.2 billion health care, educational and research enterprise, with a

multitude of business partnership service agreements in place. All agreements over \$1 million are approved by our governing body, the UConn Health Board of Directors.

By way of background, currently UConn Health engages in over 100 separate contracts annually in a variety of areas such as administration, education, equipment, facility maintenance and construction and patient care. A few examples of patient care contracts are; the cardiothoracic contract with Hartford Hospital, the Anesthesiology contract with Hartford Anesthesiology Associates, and the Connecticut Children's Medical Center NICU contract. Over half of the contracts are for a value over \$1 million and many of the other contracts could grow to \$1 million if an extension of the contract is negotiated due to clinical, safety, regulatory, revenue or other reasons. It is not clear whether this legislation is intended to require General Assembly review of the regular business partnership contracts into which we enter that exceed \$1 million. Given that we enter into these numerous contracts year-round, it would clearly be impractical and poor business practice for us to have to pause our operations to wait for the legislature to be in session or called into special session to consider each of our bid proposals and solicitations before we could move forward.

Requiring the General Assembly's approval to be part of UConn Health's procurement process will bring UConn Health's operations to a grinding halt. It would completely impede UConn Health's ability to be nimble in a highly competitive marketplace and undermine our efforts to drive bioscience research and innovation, provide excellent programs to our students and other learners, and provide safe and effective patient care.

Thank you for your consideration of our concerns regarding this legislation. We are available to meet should you have any questions or comments.