

CHA CALLS FOR CONTINUED COLLABORATION TO ADDRESS THE CAUSES OF HOSPITAL FINANCIAL DISTRESS

WALLINGFORD – The **Connecticut Hospital Association (CHA)** released the following statement in response to a press conference held today highlighting <u>SB 9</u>, An Act Promoting Hospital Financial **Stability**, which would authorize DPH to assess civil penalties on institutions, including hospitals; imposes emergency department diversion requirements on hospitals; makes changes to the Certificate of Need (CON) process; and requires hospitals to submit certain hospital financial data to the Office of Health Strategy (OHS) on a quarterly basis.

"We appreciate the Governor's attention to the financial challenges hospitals are facing and his interest in supporting the world-class patient care that hospitals in Connecticut deliver. What would best serve patients is continuing our collaborative work with the Governor, lawmakers, and care providers to develop solutions to address the causes of financial distress, including Medicaid underfunding, the healthcare workforce shortage, and state and commercial payer regulatory burdens.

"Unfortunately, the new Office of Health Strategy (OHS) reporting requirements will not address or prevent the hardships being experienced throughout healthcare. The challenges that exist are known and hospitals have been sounding the alarm for years on the issues that care providers are facing. Hospitals already report significant financial information to OHS, which produces an annual report that provides a five-year look back on a hospitals' financial stability and identifies hospitals in distress.

"We also appreciate the legislature's commitment to bringing all voices together to reform the state's Certificate of Need process, which oversees changes in healthcare such as transfers of ownership or purchasing new equipment. Governor Lamont and state lawmakers have shown a strong commitment to ensuring Connecticut residents have access to the highest quality care in hospitals. We look forward to working with the Governor and the legislature to develop legislation that accomplishes that goal and to refocus OHS to be best positioned to achieve that goal. We already know there are financial challenges, we must focus our work on solutions."

CHA's testimony on SB 9 is available here.

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MEDIA CONTACT: Nicole Rall rall@chime.org