Saint Raphael
Healthcare System

WRITTEN TESTIMONY OF
PAUL D. STORIALE
VICE PRESIDENT & CHIEF FINANCIAL OFFICER
SAINT RAPHAEL HEALTHCARE SYSTEM

HUMAN SERVICES COMMITTEE
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My name is Paul Storiale and I am the Vice President & Chief Financial Officer of the Hospital of Saint Raphael. Thank you for the opportunity to speak today about the Hospital of Saint Raphael's role it plays as a "safety net" for access in the Greater New Haven community.

My colleagues from Saint Vincent's, Hartford Hospital, and Bridgeport Hospital have given you background to how the delivery system for healthcare to the uninsured and underinsured has evolved in Connecticut to where it is today. My objective in this written testimony is to indicate how the Hospital of Saint Raphael sees the issues that face the Committee today.

First, it's important to note that there IS universal healthcare and healthcare access for the uninsured and Medicaid recipients now in Connecticut -- it takes place in 31 hospital emergency departments around the State. It is unquestionably the most expensive setting to receive primary care, has longer wait times compared to a physician's office, and is simply not the most efficient or most dignified way of providing primary care, but it is often the only source of care for many individuals. When access to primary healthcare takes place here rather than in a primary care setting, clearly, the healthcare system in our State is broken.

As a result of this broken, fragmented system for uninsured and Medicaid patients, we have implemented many outreach prevention and wellness programs at the Hospital of Saint Raphael to try to avoid emergency room visits and to identify healthcare issues before they become acute and complex.

For example last year, in the worst year financially at the Hospital of Saint Raphael in seven years, we launched, with the Bayer Corporation, "Project Brotherhood". This outreach program is a cancer prevention, education and screening program committed to improving the health of Greater New Haven-area Hispanic and African-American men. Because prostate, lung and colorectal cancers are the top three cancers found in men, special emphasis is placed on these diseases. Since March, every single one of our

screening events to screen men for prostate and colorectal cancer has drawn twice as many participants as originally projected. And as a result of these screenings, we have identified several men that have cancer or pre-cancerous conditions and are now being treated for the disease. Without Project Brotherhood, most, if not all, of these men would not have been treated in the early stages of the disease, and several may have been diagnosed too late for treatment.

Similarly, our "Project MotherCare", which was launched in 1990 continues today. For the first 16 years, we provided care via a 48-foot tractor trailer in New Haven and West Haven neighborhoods. We are continuing to provide outreach services in these same neighborhoods, as well as in Hamden but have transitioned to medical offices located in food pantries, housing projects, senior center, and other facilities. We provide primary care, as well as obstetrical care, to those who cannot access services elsewhere. Some of the women we see are illegal aliens who would not present themselves at our Hospital for fear of being discovered. At Saint Raphael's however, our mission is to provide care to those who need it most, not to screen for ability to pay or immigration status. Again, another indication of how we have reached out to the community, despite the negative financial margin, to make sure that individuals receive the most appropriate care at the most appropriate setting.

One more important example is our "Smiles-to-Go" dental van. For six years, "Smiles-to-Go" has been providing dental care for New Haven school children. And when school is out, the van provides dental care at community sites, migrant farms, and DCF sites in the region. Without "Smiles-to-Go" many children would not have access to basic dental care and would most likely end up in the emergency room with infections and would possibly be faced with tooth extractions.

These examples are just a few ways the Hospital of Saint Raphael addresses healthcare access, despite a broken, inadequate healthcare reimbursement system in the State.

At the same time that we try to provide access efficiently, the Hospital of Saint Raphael receives 68 cents for every $1 of the ***cost*** of care provided to Medicaid patients.

In fiscal year 2006, the Hospital of Saint Raphael's under-reimbursement for care delivered was approximately 23 million. Again, this $23 million represents the gap from what it costs Saint Raphael's to render care versus what it was reimbursed. The reason for this shortfall is twofold:

> First, incremental fee-for-service Medicaid increases, such as the $7.2 million appropriated last session have helped, but only marginally. Medicaid has not provided substantial rate relief since the 1999 inflation adjustment of three percent. As to the appropriation of last session, the money still has not been allocated or distributed. It is extremely important that as additional increases are granted for the Medicaid program year, the legislature require DSS to allocate the funds the healthcare providers within a set time frame.

Regarding Medicaid Managed Care, the Hospital of Saint Raphael has not seen any of the increases that the legislature approved over the last few years. It is also important that if additional increases are granted for the Medicaid Managed Care Program this year, the legislature require the insurers to pass along the same per-member-per-month increase on to the healthcare providers.

Unfortunately, access often equates to dollars, and inadequate Medicaid reimbursement has significantly contributed to the access issues we have today. The Hospitals around our State are providing access for Medicaid beneficiaries and are doing so at a tremendously mounting financial risk to our institutions. Reimbursement at cost will insure the funds are used for expanding access, creating appropriate settings for the appropriate levels of care, and provide technology for the most efficient delivery of healthcare to ALL Connecticut residents.

We urge the Human Services Committee and the legislature to approve 100 percent Medicaid cost reimbursement for Connecticut's hospitals.
