

## FOR IMMEDIATE RELEASE February 3, 2023

## Connecticut Hospital Association Statement on State Healthcare Cost Drivers Informational Session

WALLINGFORD – The Connecticut Hospital Association released the following statement regarding today's informational session hosted by the Connecticut Insurance Department (CID), the Office of the Healthcare Advocate (OHA), and the Office of Health Strategy (OHS) to explore policy-based solutions to lower healthcare costs:

"We appreciate the state's efforts to bring all stakeholders to the table to work together to make healthcare affordable, accessible, and equitable for everyone. Connecticut hospitals work every day to achieve those goals in the communities they serve. Our hospitals are committed to slowing healthcare spending growth and are supportive and active participants in the state's Healthcare Cost Growth Benchmark strategy. Hospitals are also working with community partners to identify and develop solutions for social influencers of health that drive poor health, disparities, and higher costs of care. At the same time, our hospitals are facing significant financial headwinds. Total expenses for Connecticut hospitals are \$3.5 billion higher than pre-pandemic levels, with costs rising for labor, drugs, and medical equipment and supplies, as well as infrastructure and energy costs. They are treating sicker patients than they saw before the pandemic and supporting a workforce that is exemplary but exhausted. These issues must all be part of the conversation. Any discussion on affordability must also include examining government payers and, particularly, how Medicaid underpayments are increasing pressure on the healthcare system and driving up costs for commercially insured patients. We must develop solutions that will work for Connecticut and that are shaped by local stakeholders and our communities. Connecticut hospitals are committed to improving the health of our communities and we are encouraged by the state's work to bring everyone to the table to develop solutions together."

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