

# THE GOVERNOR'S TAX ON HOSPITALS WILL HURT CONNECTICUT

## AFFORDABILITY AND ACCESS ARE ON THE LINE

When someone you love needs care, every second matters — and hospitals are there every moment of every day.

But that care is at risk.

Connecticut hospitals are being asked to shoulder higher state taxes even as the state does little to invest in patient care.

That means fewer resources at the bedside, harder choices for hospitals, and rising healthcare costs.

### Access to care is at risk.

Connecticut families depend on hospitals for lifesaving care, compassionate doctors and nurses, and timely treatment when it matters most.

Those services are already under strain. The state raising taxes on hospitals, while not making a significant investment in patient care, weakens hospitals' ability to maintain services, support their workforce, and meet the needs of their communities. It **threatens access to services**, stretches an already strained **healthcare workforce**, and puts the state's **healthcare safety net** at risk.



### Affordability is at risk.

- Connecticut hospitals already pay **more than \$800 million a year in taxes** while facing significant financial pressures.



- As a result of these taxes and low Medicaid reimbursement, Connecticut hospitals **lose \$1.5 billion every year serving Medicaid patients**. When that payment gap isn't addressed, costs shift to employers and families through higher premiums and out-of-pocket expenses.
- Raising taxes further on hospitals, without addressing underlying shortfalls, will only drive healthcare costs higher for patients and families. **That makes healthcare less affordable for everyone** – at a time when too many Connecticut residents are already struggling to keep up.

## The state should make a real commitment to patient care.

Protect families when they are most vulnerable.

Protect access and affordability when it matters most.

Support a patient-first hospital tax that returns dollars to hospitals and the patients they serve. Don't balance the state budget on the backs of patients.

## A Better Way: How Connecticut Can Make Healthcare More Affordable and Accessible

- **Adopt a patient-first hospital tax** that ensures 100% of any increase in the hospital tax is used to improve hospital reimbursement for patient care
- **Address government underpayment** by investing in Medicaid rates to ensure hospitals can sustain critical services
- **Support recruitment and retention** of essential healthcare workers
- **Preserve patient choice** by supporting actions to stabilize the small-group insurance market and preserve commercial insurance
- **Address cost drivers** by creating a state-funded uncompensated care pool to support the expected rise in uncompensated care due to federal Medicaid and ACA tax credit changes
- **Reduce regulatory burdens** to strengthen, not destabilize, the healthcare system