



Testimony In Support Of Senate Bill 476: An Act Concerning The Office of Health Strategy's Recommendations Regarding Various Revisions To Community Benefits Programs Administered By Hospitals

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Senator Anwar, Representative Steinberg, and members of the Public Health Committee, thank you for the opportunity to provide testimony in support of Senate Bill 476: An Act Concerning The Office of Health Strategy's Recommendations Regarding Various Revisions To Community Benefits Programs Administered By Hospitals. I am Rosana Garcia Ferraro, Policy and Program Officer at Universal Health Care Foundation of Connecticut.

At Universal, our mission is to accelerate the movement for health justice for everybody because health is a human right and core to social justice and equity. Health justice requires that those most impacted are part of crafting the solutions to health disparities and inequities and other negative impacts of the health system.

Hospitals – and the health systems they are a part of – should be accountable to the community they serve, especially to the community where they are geographically located and in light of their tax-exempt nonprofit status. Over the years, we have spoken up about this at Certificate of Need hearings and other relevant forums.

Community benefit spending is one area of hospital accountability to community that Universal has been closely looking at for several years. Spending on community benefits has declined over the past 5 years and spending on improving community health beyond the hospital setting has remained consistently low – ranging between 0.25% - 0.28% as a percentage of total expense from 2016 to 2020.

Despite the requirement that hospitals generate a Community Health Needs Assessment (CHNA) and implementation plan every three years, we continue to see low investment in these identified needs. It is also not clear how community benefit spending supports these identified needs. Clear reporting that ties community benefit programs to needs identified by communities in CHNAs is critical to ensuring communities know how these funds are spent and can hold hospitals accountable for improving health outcomes.

On average, states with community benefit laws saw an increase in community benefit spending of between \$8.42 – \$13.5 per \$1,000 of total hospital operating expenses. Stronger reporting requirements were seen to be associated with the greatest

growth/increase in spending. **In Connecticut, this could increase community benefit spending by an additional \$101,192,605 - \$162,244,675** (Based on CT FY 2019 data).

Hospital reporting should include information about health outcomes, data describing the racial and ethnic makeup of the community, and how the hospital identifies and prioritizes community needs, including how the hospital solicits meaningful community input and feedback; right now, none of these are reported in a clear and consistent manner.

We appreciate the committee raising this bill to improve community benefits policy in the state, which would increase a hospital's accountability to their community. While this proposal is a good start, we have some suggestions to the legislation to strengthen community benefit policy –and hospital accountability – even more.

We echo Health Equity Solutions in suggesting that changes to community benefit regulations should:

- include a more inclusive definition of “meaningful participation,”
- require stronger financial assistance screening requirements,
- create a universal financial assistance application,
- standardize how hospitals calculate charity care,
- create a minimum community benefit spending floor that does not have the impact of reducing community benefit spending for any hospital
- ask for more detailed reporting requirements to increase transparency & accountability, and
- require standardized reporting of data on the race, ethnicity, primary language, disability status, sexual orientation, and gender identity of the community.

Thank you for the opportunity to testify in support of SB 476.

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