

TESTIMONY OF STEPHEN A. FRAYNE SENIOR VICE PRESIDENT, HEALTH POLICY CONNECTICUT HOSPITAL ASSOCIATION SUBMITTED TO THE DEPARTMENT OF SOCIAL SERVICES REGARDING REGULATIONS TO ADMINISTER MEDICAL SERVICES FOR THE STATE ADMINISTERED GENERAL ASSISTANCE PROGRAM Regulation Control # 04-12/BF Thursday, September 30, 2004

The Connecticut Hospital Association (CHA) and its members appreciate the opportunity to submit testimony to the Department of Social Services (DSS) regarding proposed Regulations to Administer Medical Services for the State Administered General Assistance (SAGA) program.

Connecticut's 30 not-for-profit acute care hospitals provide quality care to any patient that walks through the door 24 hours a day, 7 days a week, regardless of ability to pay. In the past several years, there has been an increase in the number of uninsured persons seeking care at Connecticut's hospitals. This increase places a tremendous strain on the financial viability of our hospitals. The state relies on hospitals to be the healthcare safety net for all those needing care, regardless of their ability to pay. Hospitals rely on the state to be the insurer of last resort for Connecticut's most vulnerable citizens. These are separate roles but inseparable obligations.

It is critical that the state do all that it can to maintain and protect the SAGA program. The SAGA program is important because it provides insurance to over 25,000 of Connecticut's most vulnerable residents. Capping SAGA funding and converting the program from fee-for-service to a grant program passes the financial risk for these patients to Connecticut hospitals and, as a consequence, increases their financial vulnerability. We believe that every effort should be made to restore the SAGA funding and convert the program back to a fee-for-service program. As the insurer and provider of last resort, we need to work together to develop ways to maintain and enhance funding for programs such as SAGA.

In addition, proposed Section 17b-257-7 allows for the creation and implementation of several key programs without providing a means for public input. CHA believes that the development and implementation of these programs would benefit greatly from and should be subject to public comment. Therefore, the proposed regulations should be modified to allow ample notice and opportunity for the public to comment on the programs being developed pursuant to Section 17b-257-7.

Thank you for the opportunity to comment on these proposed regulations.

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