

Government Administration and Elections Committee
JOINT FAVORABLE REPORT

Bill No.: SB-1076

AN ACT CONCERNING PUBLIC-PRIVATE PARTNERSHIPS AND
PRIVATIZATION OF STATE SERVICES AT THE UNIVERSITY OF

Title: CONNECTICUT HEALTH CENTER.

Vote Date: 3/29/2021

Vote Action: Joint Favorable

PH Date: 3/26/2021

File No.:

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SPONSORS OF BILL:

The Government Administration and Elections Committee

REASONS FOR BILL:

Effective July 31st, 2021, this bill would require the University of Connecticut Health Center to obtain approval from the Connecticut General Assembly prior to soliciting bids or proposal requests for any privatization or public-private partnership contract. In particular, the bill mandates that the General Assembly approve of any bid or proposal if the cost is estimated to be greater than one million dollars annually.

RESPONSE FROM ADMINISTRATION/AGENCY:

Jeffrey Geoghegan, Chief Financial Officer, UConn Health: On behalf of UConn Health, Mr. Geoghegan expressed his concerns with various provisions in the bill. In particular, Mr. Geoghegan referenced the proposed requirement for General Assembly approval on any contract that is estimated to cost greater than one million dollars annually. Currently UConn Health has a governing body, the UConn Health Board of Directors, who oversee and approve of any agreements in excess of one million dollars. By delegating this approval process to the General Assembly, Mr. Geoghegan believes that UConn Health's operations would be slowed down significantly. Additionally, such a change would undermine UConn Health's ability to remain active in a highly competitive marketplace.

NATURE AND SOURCES OF SUPPORT:

Elizabeth Appel, MD, Assistant Professor of Medicine, UConn Health: Dr. Appel submitted written testimony in support of the bill. She wrote extensively about the collegiality and professionalism at UConn health. As a public hospital, Dr. Appel discussed UConn Health's unique approach to address health disparities, particularly as it relates to underserved communities. Dr. Appel urges the committee to continue supporting public health institutions like UConn Health.

Matthew Winters, RN, Member, University Health Professionals: Mr. Winters submitted testimony in support of the bill. He stated his belief that any privatization effort would result in UConn Health seeking profits over the well-being of patients. Currently, UConn Health's status as a public institution allows for the hospital to care for patients who might not be cost effective. Despite the costs incurred, UConn Health takes on these patients because as a public health institution, their chief goal is to provide care for Connecticut residents, not generate revenue off of them. Mr. Winters believes that the state budget should be adjusted in other areas that would not disrupt the good work taking place at UConn Health.

Carmen LaSalle, Treasurer, AFSCME Council 4 Local 196: On behalf of AFSCME Council 4 Local 196, Ms. LaSalle urged members of the committee to support the bill. She highlighted concerns among AFSCME members regarding the potential for the privatization of UConn Health. As a public health institution, UConn Health offers indispensable resources to the public. Ms. LaSalle believes that passage of SB 1076 would protect UConn Health employees, the public, and the institution itself from any efforts to solicit bids and privatize. Considering all of the essential services and healthcare that UConn Health has provided throughout the last year with the pandemic, Ms. LaSalle believes it would be wrong to allow UConn Health to pursue privatization.

Michael Baldwin M.D., Associate Director, UConn Health Diagnostic Radiology Residency: Dr. Baldwin emphasized the critical role that public health institutions have played in helping to fight the coronavirus pandemic. Along with the major emotional and physical toll that the pandemic has had on staff and the facility, Dr. Baldwin acknowledged the fact that UConn Health is also in the process of recovering from the economic strain imposed by the pandemic. Dr. Baldwin advocates for continued investment in UConn Health by the state of Connecticut.

Sal Luciano, President Connecticut AFL-CIO: Mr. Luciano cites the economic benefits of UConn Health, including over \$100 million in research grants and an estimated \$2.2 billion in terms of positive economic impact in the region. UConn Health is home to the state's only public hospital, John Dempsey Hospital, where over 25% of patients are Medicare beneficiaries. Mr. Luciano identified legacy costs that the hospital has inherited from previous administrations as significant roadblocks for UConn Health remaining financially feasible. He urged the committee to support the bill, which would allow for the General Assembly to protect the investments made by Connecticut taxpayers in UConn Health. Additionally, Mr. Luciano believes that the bill provision that requires legislative approval would be helpful in ensuring that UConn Health's mission as a public hospital and educational institution is upheld.

Carl Chisem, President, Connecticut Employees Union Independent, SEIU Local 511: Mr. Chisem cited the fact that UConn Health employs over 10,000 people in Connecticut, he believes it is imperative that the committee work to protect UConn Health at all costs. Along

with the positive economic impact of all the jobs UConn Health adds to our state, Mr. Chisem also cited the strength of the institution's affordable and highly ranked educational program. Lastly, Mr. Chisem emphasized the need to support public hospitals so that underserved communities and vulnerable populations have adequate access to medical care.

The Government Administration and Elections Committee received four other pieces of testimony expressing similar views in support of protecting UConn Health's status as a public health institution.

Ibrahim Elali
Diane Morgan
Adam Perrin
Stephanie Rauch

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Trevor Hoffman

Date: 03/29/2021