

TESTIMONY OF BLAIR F. BERTACCINI

Waterbury Hospital Certificate of Need Hearing, 10-15-14

Good afternoon, my name is Blair Bertaccini. I am a resident of Waterbury, a member of Community United, a labor-community coalition concerned about health care in our region. I am also president of AFSCME Local 269, a statewide union local representing workers at the Connecticut Department of Labor, which has many members in the region served by Waterbury's hospitals.

When considering granting a certificate of need to Tenet Corporation to buy Waterbury Hospital and convert to a for profit entity it is very important to consider what is currently required of non-profit hospitals and what will not be required of Tenet if conditions are not put on this transaction.

Non-profit hospitals under IRS standards must do a certain amount of reporting on their operations particularly through the IRS 990 form and they must have a community board from the local area.

None of this will be required of Tenet unless a written community benefits agreement or legally binding conditions are in place. Despite our efforts to engage Tenet to have a written agreement they continue to maintain it is not necessary and they will provide excellent health care for our community.

Tenet is in business to make money and that's all they can be trusted to do. They will make many non-binding promises to get approval of their purchase. Making money is first for them, health care is second. If you do not put conditions on this acquisition we will be confronted with a hospital that will not truly be interested in providing high quality health care to all members of our community and that will not have any financial transparency requirements.

Tenet must be required to provide financial disclosure documents that equal or exceed those required on an IRS 990 form as well as the following: a list of costs of uncompensated care, an identification of all charitable assets accumulated since Waterbury Hospital's inception; a plan and description to monitor and value uncompensated care, capital budgets and a plan for the creation of an entity for the charitable assets accumulated by the hospital.

The most important part of providing quality medical care is how a facility is staffed. In order to insure that Tenet does not increase its profits by decreasing its staffing by

lowering numbers of employees or by reduction in required qualifications it should be required to have a staffing plan that would include a description of any unit or group of employees that they plan to eliminate or reduce and why; and if such a change would reduce services they should not be allowed to go forward with it. They must be required to report in a detailed manner the amount of uncompensated and charity care. They should also disclose their capital budgets and any pending or adjudicated investigation that has occurred in the last five years.

Also we believe they should provide funds to be determined by the Commissioner of Health to hire an independent health care access monitor for the new entity who would work with a community board chosen by the Office of Health Care Access.

And if we look at the track record of many large corporations like Tenet they should also be required to provide taxes or payments at least equal to what the City of Waterbury currently receives in payments in lieu of taxes and not seek tax abatements.

Thank you very much.