State Budget Update

A short while ago, House Democrats released a $40 billion, two-year budget and said they plan to vote on it Tuesday, July 18. CHA is currently reviewing the document.

With lawmakers failing this week to reach agreement on a biennial budget before the new fiscal year begins on July 1, Governor Dannel Malloy proposed a mini budget for the first quarter of the fiscal year ending September 30, 2017, and a separate plan that would allow him to run the state’s finances for the next year by Executive Order.

The Governor urged legislators to adopt the mini budget, but House Speaker Joe Aresimowicz (D-Berlin), announced Tuesday that he does not plan to call the House into session this week for a vote. If legislators do not adopt the governor’s mini budget, or another budget, before July 1, Governor Malloy said he will enact his Executive Order Resource Allocation Plan.

Under the mini budget, the Governor proposes to increase the hospital tax by $165 million over two years, eliminate hospitals’ ability to use tax credits, remove the annual requirement for the state to set rates, remove hospitals’ right to challenge the constitutionality of the hospital tax, and eliminate their right to challenge decisions made by the state Department of Social Services. It would provide state funding of $35.6 million for hospital supplemental payments, including small hospital payments, resulting in total hospital revenue of $111.4 million, inclusive of federal share payments.

The Governor is also proposing almost $320 million in revenue increases, including nearly $70 million in additional income tax revenues obtained by limiting the property tax credit to households with dependents and by freezing a tax credit for working-poor families. It also raises $60 million through a tax amnesty program, $26.4 million by capping business tax credits, and $5 million by increasing license and permit fees and fines. The Governor also proposes to sweep roughly $137 million from various off-budget accounts.

The Governor’s Executive Order Resource Allocation Plan would eliminate supplemental payments to hospitals, including the small hospital pool, and make an undefined $75 million reduction to the Medicaid program.

In releasing these plans, Governor Malloy said, “Connecticut can and will adopt a responsible, balanced budget for the coming biennium – the question is how best to handle our finances until that happens… I am prepared to operate government in the absence of a budget, but it has never been my preference to do so. That’s why I’m offering this proposed mini budget to the General Assembly. It is a responsible, short-term option that allows us more time to negotiate a full budget, without making our current problems any worse and without further jeopardizing the state’s bond rating.”

Click here to view the Governor’s Executive Order Resource Allocation Plan and here to view a high-level comparison of that plan to the mini budget. Click here to view Governor Malloy’s press release.

Vote on Senate Health Care Plan Delayed Due to Opposition

The Republican Senate health care plan to replace the Affordable Care Act (ACA) will not be called for a vote before the Fourth of July holiday, as originally planned, due to stiff opposition both in Connecticut and Washington.

The Senate plan, known as the Better Care Reconciliation Act, would shift responsibility from the federal government to the states, while reducing the amount of federal Medicaid money states receive. The Congressional Budget Office, which released its analysis of the bill on June 26, estimates that the plan would result in 22 million Americans losing healthcare coverage.

The plan would result in a nearly $3 billion annual cut to Connecticut’s Medicaid program by 2026, according to a state analysis by the Office of Policy and Management (OPM), and could lead to tens of thousands of Medicaid recipients losing their coverage.

Governor Dannel Malloy called the plan a “disaster” for Connecticut residents.

“Plain and simple—the Senate Republican version of Trumpcare is a greater disaster for the people of Connecticut than the version passed by House Republicans. It is appalling and needs to be stopped in its tracks,” said Governor Malloy. “This bill has the potential to result in a devastating cost shift of nearly $3 billion to Connecticut and could eliminate access to healthcare for tens of thousands of our residents, needlessly putting their lives at risk. Particularly for some of our most vulnerable populations, including the elderly and those with pre-existing conditions, premiums and costs will increase, making coverage unaffordable. If enacted, Trumpcare will jeopardize the coverage people already have, drive up costs, and severely limit care. I urge the Senate to reject this disastrous bill.”

http://www.chime.org/press_room/update.cfm#1
Jennifer Jackson, CEO, CHA, said the bill would be harmful to both patients and hospitals.

“We have grave concerns about the Senate proposal, which makes deep cuts to Medicaid, removing crucial protections for our most vulnerable patients, and allows states to eliminate benefits for pregnant women, emergency care, and mental health. As written, this proposal would significantly jeopardize access to care in Connecticut, a state in which one in five residents are covered by Medicaid,” Ms. Jackson said. “It is also worth noting that the expansion of coverage through the Affordable Care Act was funded in part through cuts to Medicare payments to hospitals. The Senate proposal would keep the cuts in place and shrink coverage too. This is unacceptable. Hospitals can play an important role in strengthening Connecticut’s struggling economy, but only if they receive adequate reimbursement for the services they provide. We urge the Senate to protect patients and vote no on this bill.”

OPM’s analysis also found that the GOP plan, which would eliminate the ACA’s individual and employer mandate, could increase premiums in Connecticut by an estimated 10 to 15 percent, while the repeal of the Cost Sharing Reduction Program has the potential to increase premiums by an additional 20 percent. According to the state analysis, the Senate bill would cap federal payments to states and gradually eliminate payments for the 200,000 people who were covered under the expansion of Medicaid.

Connecticut’s two Democratic senators, Richard Blumenthal and Chris Murphy, also opposed the plan, calling it “morally bankrupt” because it proposes to cut Medicaid entitlements at the same time it cuts taxes for wealthy Americans. Hundreds of people showed up to speak against the plan at an emergency field hearing on the bill that Senators Blumenthal and Murphy hosted this week.

Anne Diamond Named President and CEO of Day Kimball Healthcare

After a seven-month national search, the Board of Directors of Day Kimball Healthcare (DKH) have announced that Anne Diamond, JD, CNMT, has been selected as the next President and Chief Executive Officer of the integrated hospital and healthcare system.

Ms. Diamond, who is currently the CEO of UConn John Dempsey Hospital, will assume her new role at DKH at the end of August. Her selection was made by a subcommittee of the DKH Board of Directors that included physicians, administrators, and other members, with input from senior management, department directors, medical staff leadership, and medical staff.

Ms. Diamond brings to DKH more than 30 years of healthcare experience across a multitude of roles. In her most recent role as CEO of UConn John Dempsey Hospital, she has focused on improving the hospital’s quality of care, operations, and financial performance, with positive results.

During Ms. Diamond’s tenure at UConn John Dempsey Hospital, the hospital was recognized by the American Hospital Association for its quality improvement, and by CHA, which awarded it the John D. Thompson Award for Excellence in the Delivery of Healthcare Through the Use of Data.

“My time at John Dempsey Hospital has been immensely rewarding. I’m proud of all that has been accomplished by the team here over the last four years as CEO and I’m confident that that great work will continue,” Ms. Diamond said. “I’m ready now for a new challenge and to help foster that same kind of momentum and innovation at another hospital and healthcare system.”

“I’m so impressed with the achievements in quality of care at Day Kimball Healthcare and the organization’s ability to weather an extremely difficult time for healthcare in our state and nation over the last several years,” Ms. Diamond added. “Day Kimball’s Board of Directors, administration, and staff have consistently risen to those challenges in service to their patients and community. That’s the kind of organization I want to be a part of strengthening, and I look forward to helping to lead efforts toward further growth and success in the future.”

With Ms. Diamond’s arrival at DKH in late August, current Interim President and CEO Joseph Adiletta will step down and resume his prior role as Chairman of the Board.

Ms. Diamond sits on the CHA Board of Trustees and serves as chair of CHA’s Statewide Asthma Initiative. She is a member of the American College of Healthcare Executives, the American Health Lawyers Association, and the American Society of Healthcare Engineers. She is also a board member of the Leo and Anne Albert Institute of Bladder Cancer and the American Heart Association’s Go Red for Women Luncheon and its Heart Ball. Ms. Diamond is also an industry executive advisor for various organizations in healthcare security and patient experience.

Paula Crombie Honored for Helping Homeless Population

Paula Crombie, LCSW, Director of the Department of Social Work at Yale New Haven Hospital, received the Rev. Richard Schuster Advocacy Award at the 2017 Reaching Home Celebration Dinner and Housing Awards sponsored by the Partnership for Strong Communities (PSC). The award was presented to Ms. Crombie by Carl Schiessl, Director of Regulatory Advocacy, CHA.

Ms. Crombie, who was nominated by Mr. Schiessl and three others, was recognized for developing innovative strategies to address the needs of the state’s most vulnerable populations, such as spearheading the Yale New Haven Hospital/Columbus House Respite program. Through this program, patients who are homeless or housing unstable are discharged to one of twelve beds at Columbus House for 30-60 days, while nurses tend to their medical needs and case managers find them appropriate housing.

As a result of this program, lengths of stay in the hospital have been reduced by three days over a three-year period and readmissions and emergency room visits have been reduced to a level consistent with an average patient. Ms. Crombie and her team are recognized as pioneers in training physicians, nurses, and hospital staff to ask the right questions to identify patients who are homeless or have unstable housing.
Ms. Crombie was acknowledged as a creative, enthusiastic, and tireless leader and advocate for people in need. She has served as Director of Social Work at Yale New Haven Hospital since 1992 and, for the past 3 years, she and her team have been active and engaged members of the CHA/PSC Opening Doors Hospital Work Group, a collaboration of hospitals and providers of housing services dedicated to developing integrated care models to meet a patient's medical, mental health, and social service needs.

Yale New Haven Hospital was a founding member of the CHA/PSC Opening Doors Hospital Work Group, and Ms. Crombie has been a member of the team since its inception. Ms. Crombie also serves as a member of the CHA Social Work Leaders Meeting Group, and served as Co-chairman from 2009-2011.

The Rev. Richard Schuster Advocacy Award recognizes a professional or volunteer who demonstrates a strong commitment to preventing and ending homelessness. The award was established to honor Dick Schuster, a leader in advancing and advocating for supportive housing.