

May 3rd, 2016

Good Afternoon Representatives of The Office of Health Care Access and Representatives of the office of our Attorney General

My name is James E Rawlings and I am here today representing the oldest and most progressive and successful Civil Rights organization in the United States.

I am the Health Chair of the Ct State Conference of Branches of the NAACP and here today representing additionally the Health Committee of the Waterbury Branch of the NAACP

As we all know or should know that health Care as a civil Rights issue has been one of the priority issues of the NAACP for over 100 years as it relates to access , quality, equity and affordability. No to mention the issues of historically abusive clinical trials in our communities.

The State Conference of the NAACP and Waterbury Branch of the NAACP Health Committee come before OCHA and the State's Attorney General Office to better understand how a transition and acquisition of a non for profit hospital, so fragile as it relates to the health status of the residents of Greater Waterbury, can benefit from a totally corporate and political decision to potentially violate the civil rights of ten of thousands of Greater Waterbury citizens from our civil rights prism.

In reviewing the application of Prospect Medical Holdings (PMH) We have several significant concerns as it relates to the health status issues going forward relative to the Greater Waterbury residents under a proposed for profit margin driven business model.

As it relates to health care issues the position of the NAACP always has at a minimum four pillars for our discussion and analysis Those pillars are health education, health prevention, health care access and quality. The latter are particularly relevant in reviewing PMH since an understanding of the challenges of the Waterbury community one would think would be noted and integrated into any application demonstrating an understanding of community needs. This is particularly relevant when these demographics, such as they are, should be infused to help shape any acquisition plan.

Examples of the fragility of the Waterbury committee not noted in any of the shared materials are.

- A community with 58.6% of the children living at 200% of the federal poverty guidelines, the highest in the State of CT.
- A City with one of the highest unemployment rates in the Ct at and or exceeding 12.8%Almost 13% as of FY 14

- A city with an epidemic of low birth weight babies averaging approximately 10 % of all births
- A City with one of the highest teen pregnancy rates which speaks to why and how critical the health status issues of a community must be part of any health outcome strategic plan.

Lacking an integration and understanding of these demographics challenges to a community must be heavily weighed when introducing a new strategic plan for Waterbury hospital and the Waterbury Health System .. Not understanding and valuing these issues and more importantly implementing measures through cost cutting and margin contribution services only has the potential to further exacerbate a fragile community by outsourcing employment, cutting and or minimizing prevention programs and serving investors first and driving positive margins as a priority .We strongly believe first and foremost that income inequality issues so pervasive in the State of Ct and in the Waterbury community will expand under the privatization of health care as a " right" will be diminished by this acquisition regardless of the short term economic benefits portrayed..

However beyond these basic health access issues and quality of life issues this acquisition presents equally pressing issues which directly and or indirectly potentially diminish the rights of individuals as a result of this acquisition. such as:

- How will the privatization of a historical non for profit hospital such a Waterbury Hospital amongst others in this state impact low income individuals, minorities and immigrants in this community
- What impact will such a transition from non for profit to for profit status have on the critically important community benefit programs currently underwritten to some extent by this tax status change. To underscore this latter issue PMH will not even agree to enter into any community benefit agreement, which the community has asked for, as a show of good faith, to ensure any of the elements of Waterbury Hospital's historic community benefits programs and initiatives.
- We are further concerned with any change in the tax status and the business model relative to Medicaid as a carrier. This concern is validated by the lack of acceptance of Medicaid and Medicare as a payer by many private providers and acute care facilities..
- We are additionally concerned with any and all more aggressive collection policy changes under a more aggressive for profit business model that would put home ownership in Waterbury at risk
- Further as Prospect Medical Holdings plans move forward, the issue of choice for citizens, providers and payers becomes a critical Anti Trust and civil rights issue since a competitive option will no longer exist for the entire Waterbury community.
- Additionally how will quality be impacted, based on the well documented blemished record of corporate entities entering our community and this State.

- And finally through our review of all hospital's in the state of Connecticut we have found and documented that Waterbury Hospital is the most non diverse hospital in the entire state and has little or any significant diversity in any of its management structure. When we see this institutionalize and systemic barriers to advancement of minorities in this community of any upward mobility and no notation in any of the plans and or documentation of this as a issue we have very grave and serious concerns relative to PMH commitment to quality, access and the best interest of the Waterbury community beyond how they can maximize their margins..

We regard this entrance of privatization of hospitals in CT as a critical mild stone relative to health care equity in this State and in Waterbury and the possible first leg of a unfortunate multi tiered health care system, one for the rich, one for those commercially covered and one for the poor. We appreciate the opportunity to share the voice of tens of thousands of our constituents who could not attend today based on their work schedule.. However we again appreciate being able to add our voice, the voice of the NAACP to this very critical civil rights issue as it relates to health care access, affordability and equality.

However it must be noted for the record that the NAACP at the State and local levels will challenge and oppose any and all legislation such as we have i.e. Taser Policies Injustices, the Criminal ZSentencing policies and any and all Health Care injustices that impact the rights of the citizens of CT. and in particular the citizens of Waterbury and those most vulnerable in the State of CT

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