



Testimony of  
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Certificate of Need (CON) Taskforce  
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My name is John Brady and I am a registered nurse and executive vice president of AFT Connecticut, a diverse union of nearly 30,000 public and private sector members. We are proud to represent approximately 350 nurses, technicians, and healthcare workers at Windham Hospital as well as 1,600 caregivers at Lawrence + Memorial (L+M) Hospital in New London.

The situation that played out in Windham last summer was an indication of a CoN process that does not protect the residents of the state of Connecticut. It is recognition of this fact that led to creation of this task force.

The fear of the community coalition that intervened in the Yale-New Haven Health Services Corporation acquisition of L+M Hospital was that what had happened in Windham, would also happen in New London.

We were relieved when OHCA seemed to hear our concerns and imposed some of the restrictions we felt were needed to ensure access to quality, affordable healthcare in southeastern Connecticut. Although the restrictions did not go as far as we thought was necessary, it was a vast improvement on the Windham situation.

Key to these restrictions making a real difference is that they be transparent and be rooted in community input. The importance of the independent consultant, independent monitor, and community representative cannot be overstated, nor can the fact that they must be truly independent.

Otherwise, the OHCA restrictions are nothing more than a smokescreen for a corporate takeover of a community hospital.

Yesterday, *The Day* newspaper of New London, which had previously written in favor of the acquisition, published an editorial which I will summarize now and have brought copies for the task force.

*The Day* stated:

"Transparency and a sense of shared mission are key to easing the creative tension of seeing the mission from different angles. Perhaps the hospitals' management has not yet realized that's particularly vital during a time of transition.

That's the kindest construction we can put on the way the Yale-New Haven Health Services Corporation and the state public health department have treated the coalition that was granted intervenor status in the process of the two hospitals' affiliation under the Yale-New Haven network. The coalition includes consumer activists, union officials and medical personnel.

The members are legitimate stakeholders in the new arrangement, not just gadflies out to stall the process. Yet that's the way they have been treated in recent weeks by the network and the state Department of Public Health."

*The Day* asked, is this "A double run-around from the principals in the deal and the oversight agency? How is the public supposed to find confidence in the new arrangement if it seems the deck is stacked against an independent group equipped to ask legitimate questions?"

*The Day* recognizes the close relationship between the independent monitor and Yale, stating that the independent monitor "has a long history of working with Yale; the public would have more reason to trust that it can operate as a monitor, independently, if there had been transparency about the choice as it was made."

While I concur with *The Day's* editors, I should add that the problem is not merely one of process – Deloitte and Touche is deeply conflicted and cannot under any circumstances be considered "independent." Yale-New Haven Health Services Corporation has listed Deloitte as one of its 5 largest outside contractors for ten years, paying Deloitte more than \$30 million in consulting fees.

The L+M deal involves the first Cost and Market Impact Review (CMIR) in the state's history, and also marks the state's first attempt to regulate prices in more than two decades. These historic processes must be overseen by a monitor in whose unquestioned independence the public can trust, not by a multi-million dollar subcontractor of the company being monitored would offer to submit copies of Yale-New Haven's IRS tax forms before the task force's next meeting, but they are readily available online – at the OHCA website.

The coalition that was granted intervenor status has sought meetings with the leadership of both L+M and Yale, as well as the Department of Public Health, but these meetings have not materialized and these decisions have been made without our input.

*The Day* concludes its editorial reminding us that many in the community swallowed their concerns about this acquisition, because they trusted the process, but that, "they didn't sign up to be told to mind their own business."

*The Day* hopes that Lawrence + Memorial officials will explain to their new colleagues that southeastern Connecticut looks forward to being neighborly — not to having to stand at the door, knocking." We ask Yale, L+M, and the Department of Public Health to include members of the community as full partners in this process, and request that DPH reconsider the approval of the independent monitor.

Healthcare mergers and acquisitions keep on coming. Yale is now trying to buy Connecticut Children's Medical Center, while Hartford HealthCare goes after Charlotte Hungerford. If the task force is going to allow future mergers, the standards for post-approval oversight will have to be much tougher than OHCA views the current rules to be.

I understand that healthcare must operate as a business, but we must always remember that the mission of healthcare, the mission of hospitals, the mission of the Department of Public Health, and the mission of the task force is to ensure the best healthcare possible to the residents of our communities, the people we serve.

As a registered nurse, I have dedicated my life to the care of others. It is my ethical obligation.

We must all ask ourselves the question, "do we want a healthcare system that cares for corporations, or one that cares for people?"

Thank you for hearing my voice today.

# Trust and verify

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Large corporate bodies like Yale-New Haven Health and Lawrence + Memorial Hospital necessarily regard health care as a business that must stay solvent, while their customers think of themselves as patients and their employees think of themselves as caregivers.

Transparency and a sense of shared mission are key to easing the creative tension of seeing the mission from different angles. Perhaps the hospitals' management has not yet realized that's particularly vital during a time of transition.

That's the kindest construction we can put on the way the Yale-New Haven Health Services Corporation and the state public health department have treated the coalition that was granted intervenor status in the process of the two hospitals' affiliation under the Yale-New Haven network. The coalition includes consumer activists, union officials and medical personnel.

The members are legitimate stakeholders in the new arrangement, not just gadflies out to stall the process. Yet that's the way they have been treated in recent weeks by the network and the state Department of Public Health.

The coalition requested a meeting about the independent monitor, independent consultant, and community representative to the L+M board called for in the affiliation agreement, and about two other issues: clarification of what clinical services will still be available at L+M and whether the new affiliates will carry out the recommendations of a recent community health needs assessment. Those are details the public, not just the coalition, wants to know.

Dr. Raul Pino, the state public health commissioner, told coalition members to take their concerns to the two hospitals, but while they waited for a response to their request for a meeting, the hospitals were going ahead with the selection of the monitor and consultant.

As a further brushoff, the spokeswoman for the state health department and its Office of Healthcare Access said that intervenor status didn't give the group legal standing to object — intervene — in the process of selecting the monitor or the consultant.

Whoa. A double run-around from the principals in the deal and the oversight agency? How is the public supposed to find confidence in the new arrangement if it seems the deck is stacked against an independent group equipped to ask legitimate questions?

The coalition itself is less focused on the manner in which the matter was handled and more on what happened while they weren't in the room.

State regulators approved the actuarial firm Milliman as the independent consultant to set caps on price increases at L+M for the next five years — the initial period in which the local hospital is functioning as a member of the network. For the role of independent monitor, they approved Deloitte & Touche, which is to verify compliance with the terms of the agreement between the Yale-New Haven network and the state.

The firm has a long history of working with Yale; the public would have more reason to trust that it can operate as a monitor, independently, if there had been transparency about the choice as it was made.

During the months that the two hospitals awaited the state's decision to allow affiliation, officials of each institution said that one thing they couldn't legally discuss with each other or the public at that stage were the financial details that would ultimately be part of the deal. Under the legal requirements, it was reasonable to accept that.

However, large institutions have a natural bent toward secrecy about their proprietary information, and secrecy always has creep.

Many longtime patients, staff and supporters of Lawrence + Memorial swallowed their concerns about losing the independence of their local hospital because they trusted that the new arrangement would improve access to even more advanced health care, as promised. They didn't sign up to be told to mind their own business.

The Day hopes that Lawrence + Memorial officials will explain to their new colleagues that southeastern Connecticut looks forward to being neighborly — not to having to stand at the door, knocking.

<http://www.theday.com/editorials/20161120/trust-and-verify>