



**Statement to the
Senate Finance Committee Roundtable on
Tax Exempt Hospitals**

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Good afternoon, I am David Benfer, President and CEO of the Saint Raphael Healthcare System, sponsored by the Sisters of Charity of Saint Elizabeth, which includes a 100-year old, inner-city hospital in New Haven, Connecticut.

I speak from the perspective of the front lines of health care, where the value of uninsured self-pay increased 52 percent in the last year alone. We treat all persons who have not had proper access to prevention, screening or detection services. We see firsthand the modern epidemics of asthma, diabetes, Congestive Heart Failure, and HIV/AIDS. Our mission, and our daily practice, is to treat all of these people, to reach out to the underserved, elderly and poorest of the poor and provide them with the best possible care and the utmost compassion.

As the leader of Saint Raphael's, I can tell you that the community benefit standard is working. It is the way Saint Raphael's lives its mission, makes major decisions, and responds to community need. We provide direct charity care of nearly \$1 million – but that is only the beginning of the ways we serve and improve our community:

- For the past 15 years, we have provided primary care and health education to more than 1,300 children in three neighborhood schools. Many of these children live in poverty and are uninsured.
- Saint Raphael's started the state's first mobile dental health program. Our "Smiles to Go" van serves nearly 1,600 Connecticut residents and migrant workers who would likely have gone without needed dental care.
- Twice monthly we send a physician to the Salvation Army thrift store to raise awareness, answer questions, and make referrals to cancer screenings.
- Our Project Brotherhood reaches out to African American & Hispanic men to screen for prostate and colon/rectal cancer. These are men who—because of lack of income, insurance or education—might otherwise go undiagnosed and untreated.

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- Saint Raphael's has a special mission to serve the elderly poor in our Elder Care Clinics in low-income high rises and community centers.
- We help train over 130 medical and surgical residents and nearly 700 students from the fields of nursing, radiology, pharmacy, respiratory care, public health, pastoral care, food service, and psychiatry.

There is so much more, but I must address the ideas in the Senate Finance Committee paper, "Tax Exempt Hospitals: Discussion Draft." While well intentioned, they will not work for Saint Raphael's and other hospitals like ours.

First, prioritizing charity care over other community benefit, and granting 501(c)(3) status for the former but not the latter, is wrong. Our outreach, prevention, education and research programs are, in my view, even more important than charity care. They are preventive, provide early detection, and improve community health status.

Second, a one size fits all "quota" system would undervalue low cost services that make a considerable impact on community health and would create the wrong incentives. Some of our primary care and prevention services to the uninsured keep persons well and in the workforce, and children in school, thereby avoiding the need for charity care.

Further, many of the programs I described are made possible through partnerships and grants such as Project Brotherhood, which is partially funded by Bayer Pharmaceutical. As such, they would not "count" in the system described in the paper. How much the hospital itself spends, as the paper suggests, should not be the issue. What we do for the community and its residents should be the issue.

Third, crediting only what can be counted diminishes the broader and more valuable purpose of tax-exempt hospitals. It ignores the leadership role of our organizations and the important role of assessing and responding to community need. This year, at the request of our state, we are conducting a community needs assessment to determine what kinds of services *our community believes* it needs: an urgent care facility, an emergency care facility, or a combination of both. Then we will proceed to plan, with the state, how to make those services available.

That is at the heart of our community benefit mission and the community benefit standard, and what distinguishes tax-exempt hospitals—doing what is best for our communities and meeting their healthcare needs.

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