

Dear Ms. Fuchs:

CCAG, Health Equity Solutions and allies listed below submit these comments re the Connecticut Health Strategy's May 2026 Hospitals' Community Benefit Summary and Analysis report for FY 2024.

Nonprofit hospitals are exempt from state, local and federal taxes, and in exchange are required to provide free healthcare and other services to benefit their communities. Given the massive tax breaks enjoyed by nonprofit hospitals and the lack of federal oversight, it is critical for Connecticut policymakers and the public to understand how hospitals are using this status to make healthcare affordable and to contribute to the health of their communities.

We support all of OHS's recommendations in the report and offer the following additional steps to strengthen this and future reports:

**1. Require hospitals to show their math.**

The current reporting structure makes it difficult to gauge the true impact of each hospital's community benefit program or to compare it to other hospitals and to each community's needs. The report notes that our state does not know how hospitals calculate the information they report to the IRS or which costs and programs the IRS finds do not meet the definition of community benefit. Moving forward Connecticut should require hospitals to provide the worksheets and calculations completed for their tax filings and any underlying context necessary to understand how much is spent and on which services.

Further, for the public to better understand the effectiveness of financial assistance policies, hospitals should also be required to report the number of financial assistance applications received, assistance granted, and debts sold to collection agencies or pursued via other "extraordinary collection actions" such as wage garnishing. And since each hospital employs a collection agency and attorneys, we request that hospitals be required to report on how much they spend on these actions against patients.

This data should all be incorporated into the state’s annual community benefit report.

## **2. Improve Hospital Financial Assistance (HFA).**

This past legislative session, hospitals yet again successfully lobbied against meaningful requirements to standardize their practices around HFA - also known as charity care, free or discounted care for low-income patients who are uninsured or facing unaffordable out-of-pocket costs.

While nonprofit hospitals are required by law to offer HFA, hospitals spent less on financial assistance in 2024 than in 2016. Hospitals also reported more “bad debt” (bills hospitals do not expect to be paid but can still try to collect) than they spent on free/discounted care.

Connecticut should follow the lead of other states and establish a baseline set of standards for financial assistance (such as requiring hospitals to screen patients for eligibility for a discount prior to selling their debt to a collection agency, providing free care for anyone enrolled in SNAP, and not billing households with incomes under 200% FPL) and authorize the Office of the Attorney General to enforce legislated hospital billing and debt collection standards. Many other states already have these common sense measures in place – creating a fair environment for hospitals and their patients.

## **3. Provide more information on how activities characterized as “community benefit” are advancing public health goals.**

Hospitals should report in detail how their community benefit activities address the needs identified in the community health needs assessments they are required to conduct, and how they are evaluating the impact of these programs.

Due to the lack of transparency and broad reporting categories, it is not clear how community benefit programs benefit hospitals’ communities or if more spending by a specific hospital equates to higher impact. More specific reporting would allow the state to better understand how reported community benefit expenditures contribute to the goals

identified in the community health improvement plans hospitals produce and provide a more fair comparison of hospitals across the state.

The public and policy makers have a need and right to know how hospitals are using their tax-exempt status to advance public health.

We urge the Office of the Healthcare Advocate to take these factors into account as it moves forward with producing this critical report.

Sincerely,

CT Citizen Action Group

AFT Connecticut

Connecticut Oral Health Initiative

Connecticut Voices for Children

Health Equity Solutions

Make the Road CT

Universal Health Care Foundation of Connecticut