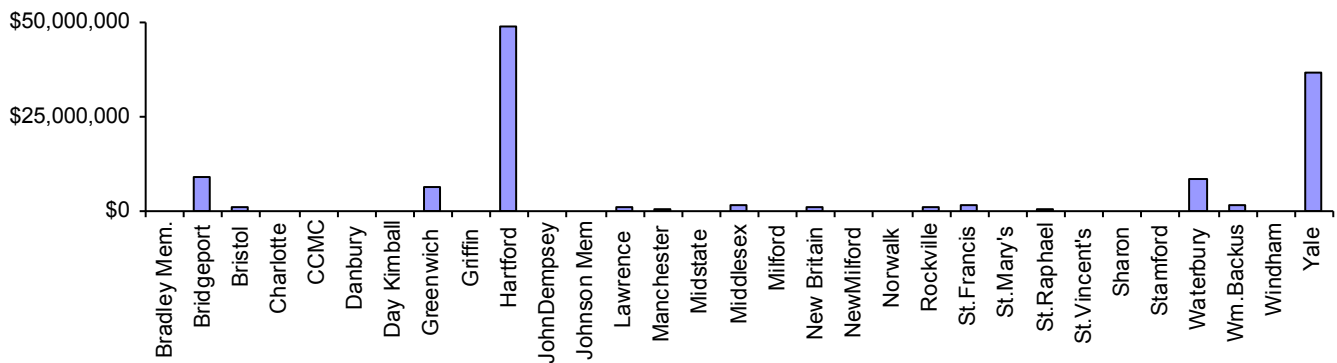


CT Hospital Free Bed Funds

21 Connecticut hospitals have access to a total of \$119,811,530 to cover the costs of care for the uninsured and underinsured

The funds were donated, often decades ago, specifically for the purpose of covering the costs of care for those who cannot pay their bills. The funds are specific to each hospital and not evenly distributed—Hartford and Yale-New Haven Hospitals have the largest funds at \$49,171,345 and \$36,676,957 – together they have 72% of the total. Eleven CT hospitals have no free bed funds.

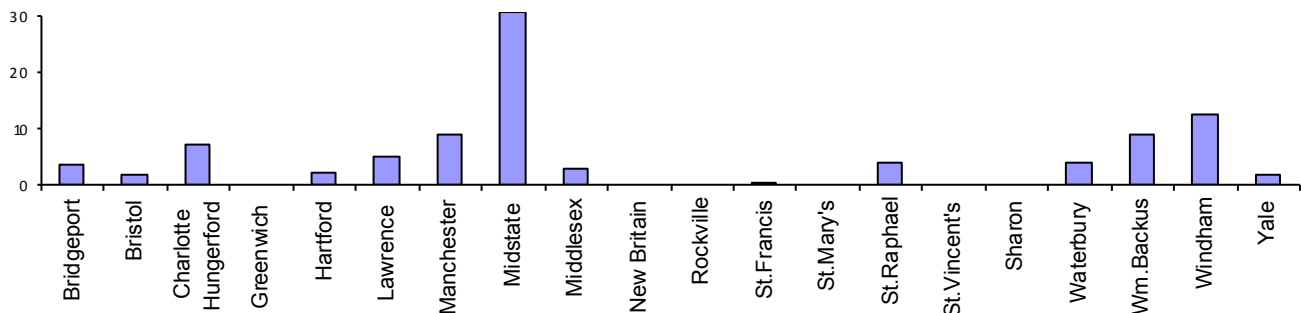
Hospital Account Balances FY 2001



Hospitals vary in how much of their balance they spend each year.

In FY 2001, the latest data, **Griffin Hospital spent 100% of its free bed funds on free care.** Other hospitals varied between 31% and zero percent of their balance spent on care for the uninsured.

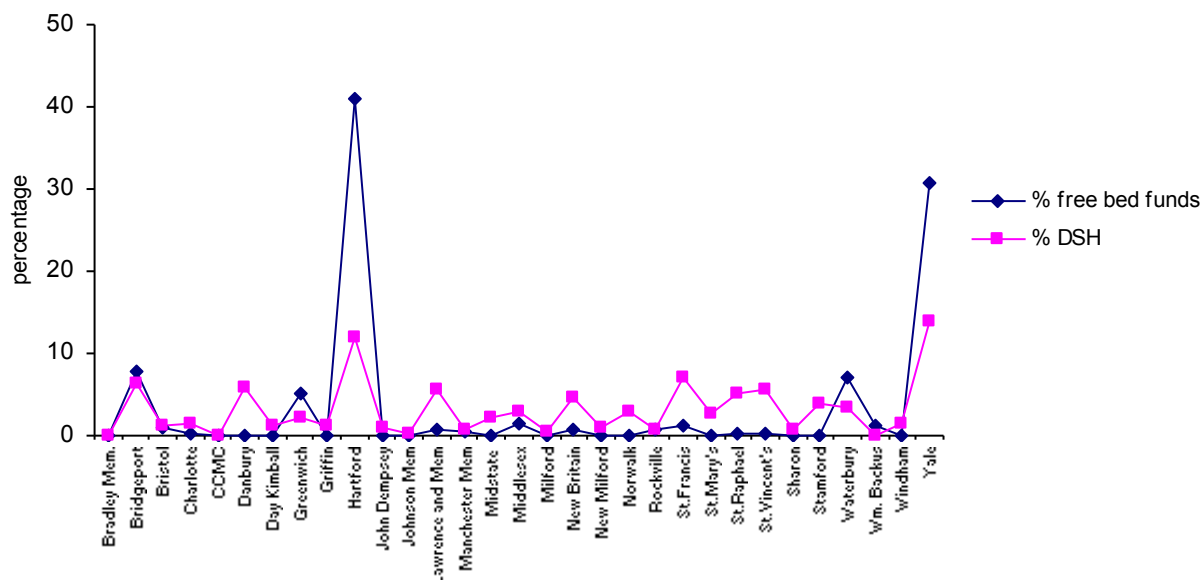
Expenditures as a % of balance



Doesn't the state reimburse hospitals for care provided to the uninsured?

Yes, the state reimburses hospitals for the costs of providing care to patients who cannot pay their bills through the DSH program. In FY 2001, Connecticut reimbursed hospitals \$203,205,646 under DSH. Those payments do not take into account which hospitals have the advantage of free bed funds.

Hospital share of total free bed fund vs. share of state DSH payments



Also, under DSH, hospitals are reimbursed for even the free care they provide that is reimbursed from their free bed funds. Since DSH funds go into a hospital's general fund, this essentially allows hospitals to shift money from accounts restricted to free care into unrestricted accounts, bypassing donors' wishes.

It gets worse. Hospitals expend free bed funds to pay themselves back for free care according to their "charges" not the actual costs of providing the care. Charges are the sticker price that no one but the uninsured pays. In 2000, actual costs of care averaged only 56% of charges. If free bed funds were limited to the actual costs of care, far more patients in need could benefit.

Bottom line: Some Connecticut hospitals have significant resources to cover the costs of care for the uninsured that they are not using, while collecting millions in state dollars for that care

Sources: Report of Donation and Funds Restricted for Indigent Care/Free Beds, Section 19a-167g-91(b)(23), Attachment 23, FY 2001 Annual Reporting, Office of Health Care Access; OHCA Annual Report on the Financial Status of Connecticut's Acute Care Hospitals, 2002.

CT Hospital Funds for Indigent Care/Free Beds FY 2001

	Account Balance	Expenditures	DSH payments
Bradley Mem.	\$0	\$0	\$29,283
Bridgeport	\$9,220,800	\$400,000	\$13,031,513
Bristol	\$1,271,967	\$26,137	\$2,607,144
Charlotte Hungerford	\$173,590	\$10,236	\$3,094,920
CCMC	\$0	\$0	\$127,714
Danbury	\$0	\$0	\$11,809,638
Day Kimball	\$0	\$0	\$2,435,113
Greenwich	\$6,185,032	-\$990	\$4,600,498
Griffin	\$0	\$251,190	\$2,287,729
Hartford	\$49,171,345	\$1,251,734	\$24,140,599
John Dempsey	\$0	\$0	\$2,002,573
Johnson Mem	\$0	\$0	\$685,946
Lawrence and Mem	\$855,595	\$51,814	\$11,300,048
Manchester Mem	\$588,843	\$56,044	\$1,719,707
Midstate	\$111,844	\$40,000	\$4,482,039
Middlesex	\$1,625,396	\$54,483	\$6,054,206
Milford	\$0	\$0	\$897,461
New Britain	\$998,118	\$0	\$9,190,139
New Milford	\$0	\$0	\$1,810,350
Norwalk	\$0	\$0	\$6,036,165
Rockville	\$837,980	\$0	\$1,414,417
St.Francis	\$1,473,432	\$6,135	\$14,540,371
St.Mary's	\$102,594	-\$569	\$5,208,476
St.Raphael	\$413,651	\$17,069	\$10,366,314
St.Vincent's	\$243,064	\$0	\$11,266,568
Sharon	\$983	\$0	\$1,635,473
Stamford	\$0	\$0	\$8,108,470
Waterbury	\$8,473,773	\$351,633	\$7,125,948
Wm. Backus	\$1,365,457	\$121,721	\$4,369,748
Windham	\$21,109	\$2,935	\$2,820,489
Yale	\$36,676,957	\$680,210	\$28,006,587
Total	\$119,811,530	\$3,319,782	\$203,205,646