



House Bill 5005, An Act Adjusting the State Budget for the Biennium Ending June 30, 2021.

**Appropriations Committee
February 19, 2020**

Home Care Association of America Connecticut advocates for employer-based home care agencies that employ, train, monitor and supervise caregivers; create a plan of care for the client; and work toward a safe and secure environment for the person at home. HCAOA Connecticut members employ several thousand caregivers providing quality care to thousands of elderly consumers across the state. Many HCAOA Connecticut members participate as home care providers in the state's Medicaid programs. For additional information, visit www.hcaoa.org.

House Bill 5005 (the Governor's proposed budget) transfers minimum wage funding from the Office of Policy and Management to various state agencies, including \$146,765 to the Department of Social Services from \$6 million originally appropriated to OPM.

HCAOA Connecticut appreciates the rate increases provided last year for providers participating in the Connecticut Home Care Program for Elders and the Connecticut Medical Assistance Program to help make up for the increases in minimum wage, but the funding is insufficient to support providers. Last year, the minimum wage increased by 9 percent from \$10.10 to \$11 per hour while the reimbursement increased by only about one percent. Minimum wage is slated to increase to \$12 this September 1 and \$15 by 2023. Wage increases, combined with increases in payroll, insurance, transportation and other costs, will make participation in the Medicaid programs unsustainable for many home care providers participating in the program.

While HCAOA Connecticut would like to see an increase in Medicaid reimbursement to private providers that keeps pace with the recent increases, we recognize that might not be possible in the current budget. Thus, we would support a 4.5 percent increase in reimbursement, which we believe is fair and reasonable.

Additional resources are necessary to support the viability of providers participating in the Medicaid program, employ and compensate dedicated caregivers, and provide quality, affordable – and essential – care to elderly and disabled persons in the program.

Home care agencies help fulfill an important public policy goal: non-medical caregivers provide essential care to and help elderly and disabled persons live in their own homes longer and keep them from being readmitted to the hospital or out of nursing homes,

saving the state significant resources. The Medicaid program fills a critical gap for seniors between hospital stays, nursing home care, and care provided by family members and loved ones. By providing a sufficient increase to non-medical home care providers participating in the program, the state would recognize the value of the service, encourage greater participation in the program and provide necessary relief to families.

Please contact Chaim Gewirtzman, chairman, HCAOA Connecticut, (203) 910-3190, with any questions or for additional information.