



February 20, 2020

To: Senator Osten, Representative Walker, Senator Moore, Representative Abercrombie, esteemed members of the Appropriations and Human Services Committee,

Re: Testimony in response to **the Human Services Sub-Committee, State Agency Budget Presentation –HR5005**

As the Social Care Director of The Supported Living Group, I support and respectfully request your support for an increase to the reimbursement rates as described below. In my role, I see firsthand the challenges that the increase in minimum wage has caused and will continue to cause in the future.

Besides the added payroll expense, all operational costs have increased as well. Big ticket items such as health and worker's compensation insurance costs, taxes and the need for more administrative support for HR/EVV compliance are just a few that come to mind that have had a major impact on our ability to offer competitive wages to retain quality staff.

"This testimony below is submitted on behalf of Connecticut's five regional Area Agencies on Aging (C4A), a membership organization dedicated to improving the quality of life and independence for older persons and persons with disabilities. The Agencies on Aging represent individuals in every Connecticut City and Town and are the "point of entry" for older adults, persons with disabilities and caregivers in need of assistance navigating and enrolling in local, State and Federal services.

*Our State developed the **Connecticut Home Care Programs (CHCP)** in response to a person's desire to remain independent and in their own home. The Program allows financially and functionally eligible persons access to the care needed to maintain independence and dignity at home. Most individuals, if given a choice, would prefer to remain home. Numerous studies including one by Kaiser Permanente¹ indicate home & community-based waiver programs (CHCP) present significant direct financial savings to Medicaid long-term care (LTC) programs. The supports for CHCP are provided by a network of dedicated home care providers. Meals on Wheels, adult day, aides, companions and other home care options must be supported with a fair and equitable reimbursement that maintains parity with increases to CT's minimum wage.*

In October 2019, CT Home Care Program Providers received a 1% increase in the reimbursement rate in response to a \$1.00 increase in the minimum wage. For a service reimbursed at \$19.68, this equated to a .20 increase in hourly reimbursement against a \$1.22 increase in labor and associated tax expense. It is clear that the variance between reimbursement and actual expense will result in Providers leaving the Medicaid waiver space.

The clients of the CT Home Care Program represent our oldest, sickest and most frail residents. By clinical definition, the client is “at nursing home level of care”. Without a robust network of quality providers, many clients will have no alternative other than institutional care. The success we have seen in the Money Follows the Person transitions to the community is achieved on the backs of the Providers.

Please advocate and vote for an 8% increase in the Medicaid reimbursement rates for non-skilled home care, adult day care and home delivered meals. Keep nursing home level care in the community. It is both what an individual wants and what the State needs to minimize Medicaid expenditures.”

Forwarded from: Marie Allen, SWCAA Executive Director (203) 814-3661 mallen@swcaa.org

Respectfully submitted,

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