



Testimony
Appropriations Committee
Human Services Budget
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Submitted by Janine Fay, CEO VNA Community Healthcare & Hospice

Sen. Osten, Rep. Walker, and members of the Appropriations Committee, I am CEO of a licensed and Medicare certified home health agency serving New Haven and Middlesex Counties. We serve hundreds of Medicaid patients a year. As you know, providing healthcare in the home is the most cost effective approach to care. The demand for services will continue to increase as an aging society is living with more chronic illnesses. The State's long term care rebalancing initiative adds to that demand. The result is expectations of healthcare in the home are on the rise.

We care for a large number of medically complex patients who often have little resources or support to manage their health needs. If there is a family caregiver, the real unsung hero, they are struggling to manage care that requires specialized knowledge and skill. The role of our home health staff in these situations is more critical than ever.

Yet there has been a long-standing disconnect in the State plan and that is the funding. The home healthcare sector has received a total of a 1% increase in funding in over 13 years. If you break that down it totals less than 1/1000th of a percent each year. At the same time our staff costs have increased 39% due to cost of living increases, minimum wage increases, and health insurance costs.

Three years ago I provided testimony about this problem. Not only were there no rate increases but my agency had just experienced Medicaid rate cuts between the medication administration and the add-on to the tune of almost 1 million dollars. On top of the rate reductions, we incurred increased costs due to the mandated electronic visit verification system. Last year I provided testimony describing how we adjusted to those losses. It was dramatic; we eliminated jobs, eliminated service to medically complex children and greatly reduced service to the chronic adult Medicaid population.

Now, I am back again this year to restate what should be obvious. The "formula" for healthcare delivery in the home is not working. I am currently the Chair of the Board of Directors of the CT Association for Healthcare at Home and therefore have many discussions with colleagues. Sadly most of them have made similar decisions within their organization to reduce services to the Medicaid population.

I believe we all have the same goal, to allow individuals and families to reach their optimal health status in the home setting. This requires access to the expertise of home healthcare. Our current status as a provider network can only be described as tenuous and fragile. This does not bode well for our ability to meet the needs of the Medicaid population now or in the future. Investment is necessary NOW, not one year from now or three years from now.

Thank you and if you have any questions you may contact me at jfay@vna-commh.org