

Testimony of Robert Page,
Executive Director of Hannah Gray Home, Inc.
Member of the Connecticut Association of Residential Care Homes
Re: H.B. 5055- H.B. No. 5005 AN ACT ADJUSTING THE STATE BUDGET FOR THE
BIENNIUM ENDING JUNE 30, 2021
Concerning
Department of Social Services Budget- Residential Care Home Funding
Appropriations Subcommittee on Human Services Public Hearing, February 19, 2020

Senator Osten, Representative Walker and Members of the Appropriations Subcommittee on Human Services, thank you for the opportunity to offer testimony, specifically on the Department of Social Services Budget related to Residential Care Home Funding.

My name is Robert Page and I have the privilege of serving as the executive director of the Hannah Gray Home, founded in 1862, and located in New Haven. I am here to draw our collective attention to the pounding need for a rate increase for residential care homes (RCHs) throughout the state. If our industry—a network of over ninety homes—continues to be significantly underfunded, some homes will inevitably have to close their doors, leaving our residents with decreased statewide housing opportunities.

The Governor's proposal to enable residential care homes to bill Medicaid acknowledges the need for higher rates. However, our industry has significant concerns with the proposal especially since it simultaneously cuts money out of the budget that has been dedicated to residential care homes. Additionally, based on an informed review of the proposal, we do not know how much or what services Medicaid will cover. Yes, our industry serves a large Medicaid eligible population. We do know, based on our service to this population, that the implementation of a Medicaid billing system will require significant alterations to our day-to-day operations. For example, residential care homes do not bill for medication assistance (as defined by DPH), meal and laundry services, guided activities, facilitation of connections with caregivers and support systems. We must ask ourselves, "Can we preserve aging in place, with RCH essential services—corollaries to health and well-being--while converting the provided services into coding and billable equivalents, including the necessary implementation of Medicaid billing infrastructure? A Medicaid billing initiative would require significant hardware and software acquisitions. With a recently failed hot water tank, Hannah Gray is grappling with replacement and payment of a capital expenditure of \$13,000.00. We are turning to the generosity of donors to restore hot water to the residents. Where will we turn for the cost of implementing Medicaid billing as an essential and system-wide revenue source? Will the billable services map to the costs of running and maintaining a residential care home and the needs of the residents?

Hannah Gray, a historic landmark in one of New Haven's historic districts, is a lovely 20-bed facility that prides itself on serving and caring for each one of its residents with dignity. You might say that Hannah Gray herself gave rise to one of our core values: "aging in place." When she opened her Dixwell Avenue doors and provided housing for five indigent Negro women in the Dixwell community over 160 years ago,

aging in place became possible for Hannah herself. A common thread running through the lives of the "first residents" and those housed at Hannah Gray today is the story of a person who, despite having tried their best, was beset by social, financial, emotional and psychological factors that resulted in chronic instability if not disability. For example, several residents lived in a homeless shelter before moving to Hannah Gray, and have since begun to thrive.

The biggest challenge for the Governor's Medicaid proposal, with an RCH preexisting frozen daily rate, is the ability to maintain a home environment and pay our employees a fair wage. A new resident transferred recently from a nursing home told me just the other day, "I love it here." He had toured Hannah before he accepted a room and commented, "I feel it's peaceful and beautiful." We value our home environment and employees. We are fond of saying, "Home is Healing." In fact, we are thrilled to see the implementation of the Governor's minimum wage policy, but we do not know how we will keep pace with the minimum wage requirements as they are phased in. Our industry strives to employ people in meaningful careers, which we know foster established and positive relationships for our residents. Although valued employees and a home environment foster positive health outcomes, our industry is straining from underfunded rates. The over ten-year moratorium on our daily rates is sending tremors through our collective financial systems. We do not know that Medicaid billing will ease the financial stress of RCHs and bring us in line with today's cost of living, but we make a plea to our elected officials to legislatively unfreeze and raise our daily rates.

Please support Connecticut's Residential Care Home housing resource. Please raise the daily rate for the first time in over ten years. We are committed to residential care and independent living. We will continue to provide model services to our residents, building on one Connecticut's most effective services for one of its most fragile populations.

Respectfully submitted,

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