

**Testimony of Jay Katz
Leeway, Executive Director**

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 Jay Katz and I am the Administrator at Leeway located in New Haven. I am here to express the strong need for a rate increase for residential care homes throughout the state. If our industry continues to be significantly underfunded some homes will inevitably have to close leaving our residents with limited housing options.

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 cuts money out of the budget that has been dedicated to residential care homes without knowing how much or what services we will be able to have covered by Medicaid.

Leeway Residential Care is a 30-bed semi-independent living facility caring for those living with HIV for almost 25 years. Leeway's residents all have HIV/AIDS along with an average of 6 other co-morbidities. Many of our residents can ambulate and feed themselves as they manage to live with end stage kidney and liver disease, CHF, cancer, HIV dementia, diabetes, substance abuse and mental illnesses. Our residents experience ongoing physical pain and a rigorous schedule of medical appointments and medications (the average resident at Leeway takes 16 pills or more per day, which may cause nausea as the medications are very much like cancer treatments). While the resident copes with this routine he or she are further challenged by mental illness and substance abuse.

This is all done for a low cost to the state while providing care to some of the most vulnerable people in the state. My home and other residential care homes throughout the state have had to get by with rates failing to keep up with costs and yet we serve as the safety net for many people with mental health diagnoses and substance abuse issues. Unlike other providers, almost all our residents are state funded limiting our ability to cost shift and make up for low rates.

The biggest challenge with the lack of rate increases is the ability to pay our employees a fair wage. We value our employees who deserve so much more for the work they do for a challenging but rewarding population.

Unfortunately, paying employees the necessary wages to attract new people to our industry continues to be a challenge resulting in employee turnover for many homes. Our industry strives to employ people in long term careers so that they can establish and maintain relationships with our residents. This leads to better long-term health outcomes, stability in the home and savings to our state.

The inconsistent funding also makes running our businesses difficult to run. We are constantly having to make repairs that are subject to state inspections.

Please support residential care home funding and uncap our rates so that we can help us keep our great employees and pay them fairer wages.

Jay Katz

Executive Director

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