

**Testimony of Simona Dhanaraj**  
**Westside Manor, Assistant Administrator**

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 Simona Dhanraj and I am the Assistant Administrator at Westside Manor located in East Hampton. 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.

Westside Manor is a 41 bed facility and we house some of the industries most vulnerable residents. A large majority of our residents have psychiatric diagnosis, substance abuse issues and compromised medical conditions. Residential Care homes like Westside Manor, provide 24 hour supervised staff that not only care for the residents but also provides daily housekeeping services, meal preparation, medication administration assistance and ensuring each resident gets to and from critical appointments. Without residential Care homes a lot of the residents would find themselves either in a homeless shelter or better yet a nursing home which the cost of care is much greater than that of a residential care home.

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, Nursing Homes, Group Homes etc.. 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. Westside Manor personally has lost great employees to group homes due to higher hourly wages. We have lost employees to local retailers like McDonalds and Walmart for higher wages. 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. This has placed us in a financial hardship when we are left with no choice but to pay overtime rates to existing employees to help cover the gaps.

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. These repairs are costly. We are left to make difficult decisions on where to cut cost. 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.

Simona Dhanraj

Westside Manor

860-267-4401