

Testimony of Rhonda Boisvert
President, Connecticut Association of Residential Care Homes
Re: H.B. No. 6439- AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM
ENDING JUNE THIRTIETH, 2023, AND MAKING APPROPRIATIONS THEREFOR.
Concerning
Department of Social Services Budget- Residential Care Home Funding
Appropriations Subcommittee on Human Services Public Hearing, March 3, 2021

Senator Osten, Representative Walker and Members of the Appropriations Subcommittee on Human Services: My name is Rhonda Boisvert and I am the President of the Connecticut Association of Residential Care Homes (CARCH). I am here today to testify on behalf of the many employees and residents who live and work in the approximately 100 Residential Care Homes in the state and urge the committee and legislature to increase our rates and provide a wage increase for our workers. I also want to acknowledge the many homes who have written testimony for the record but are not able to testify today.

Residential Care Homes care for some of the most vulnerable people in the state with the majority of our residents having mental health diagnoses and many having other ailments. The pandemic was a particularly challenging time for our residents and staff as our homes are congregate settings with shared living spaces. Our employees worked on the frontlines during the pandemic for wages slightly above minimum wage. Our administrators and experienced staff often covered additional shifts and at times worked 80 plus hours due to the lack of available staff. And most of our residents spent months in lockdown with limited contact outside the home and some becoming ill with the virus.

We are urging you to support this industry immediately. We need an across-the-board rate increase of at least 5% in each of the next two fiscal years. We also are urging an across the board \$1 per hour increase for every employee in every facility beginning July 1, 2021. These workers are vastly under paid and we need to speed up the pace in getting them over the pending \$15 minimum wage. The time is now to do that after they stepped up during the pandemic and cared for some of the most vulnerable individuals in the state.

PLEASE REMEMBER THIS: THE LAST MAJOR RATE INCREASE FOR RESIDENTIAL CARE HOMES WAS 4% IN 2006! FOR THE LAST TWELVE YEARS (SINCE STATE FISCAL YEAR 2010), MOST HOMES HAVE RECEIVED NO INCREASE EXCEPT PERHAPS FOR A FAIR RENT ADJUSTMENT.

The industry cannot continue like this. How have many homes survived? By eliminating health benefits for employees, doing away with any pension plan, cutting back on nice but not essential expenses, reducing staff if possible and therefore attention to residents and, of course, not providing adequate compensation to employees.

The Governor's budget related to Residential Care Homes does not fully appreciate this work and the need for our homes to see a significant rate increase and a raise for our workers. Instead, it seeks to shift state spending on residential care homes to Medicaid without appropriately reinvesting most of those funds into the industry. This is especially troubling when we don't yet know what our rates will look like under this new proposed model.

That is not enough though. Not when the minimum wage has increased and our employees often leave for higher paying jobs in nursing homes, mental health facilities, Department of Developmental Services group homes whose employees start at \$14.75 and workers at Target, Walmart, Amazon and the many grocers start at \$15 or higher.

Most Residential Care Homes have starting salaries closer to \$12 or \$13 and even those wages can be a stretch. Finding good new employees who will commit long-term is almost impossible.

The pandemic came in the wake of years of rate freezes. The lack of investment was felt as staffing was an issue throughout the pandemic. Many staff and administrators worked 70-80 hours as other staff was out with the virus or needed to quarantine. The Department of Public Health's distribution of PPE was instrumental for many homes but other expenses throughout the pandemic surged.

The Department of Social Services provided a small one-time three month increase in rates from March, 2020 through June, 2020 but despite several requests we have seen no additional financial support. Unlike other providers we do not receive Medicaid dollars from the state so did not see the federal increases.

The Governor's proposal to enable Residential Care Homes to bill Medicaid acknowledges the need for more funding to homes. However, our industry has significant concerns with the proposal since, at the same time, it also cuts money out of the DSS state budget for rates.

We think homes should be allowed to bill Medicaid for certain services but oppose any reductions in state spending on rates at a time when the industry is hurting so badly. For instance, almost all homes administer medication, a Medicaid billable service, so instead of trying to create a whole new rate and billing system, why not start by allowing us to bill for medication administration on July 1, 2021 without any rate reduction.

We would urge the Appropriations Committee to adopt a budget that:

- (1) Raises all Residential Care Home rates 5% in both FY22 and FY23.
- (2) Increases every employee's pay \$1/hour for FY22.
- (3) Permit RCHs to bill Medicaid for medication administration starting July 1, 2021 without decreasing a home's rate.

Please support residential care home funding and raise our rates so that we can keep our great employees and invest in our homes and our residents.