

TESTIMONY

Submitted by Andrew Quinn, CFO and COO
Shamrock Home Care

Appropriation Committee – Human Services Budget
Public Hearing

March 3, 2021

Regarding the Governor's Budget for Human Services

Senator Osten, Representative Walker, Senator Kushner, Representative Abercrombie and distinguished members of the Appropriations Human Services SubCommittee. My name is Andrew Quinn, CFO and COO of Shamrock Home Care, a community focused home health care agency for over 30 years based in Fairfield. We provide both medical and non-medical services to Medicaid and Medicare patients.

I want to start by saying I am relatively new to the industry. I think it is important for setting the stage, as my learnings of the industry are fresh and come from a different perspective than perhaps others you have heard from. Previously, I spent about a decade doing global macro investing - I always try to think about things at a macro level, looking from the top down. A state budget is both a macro problem and something that should be analyzed with an investment mindset. What are the high-level problems and areas that need help? And where can you get your best return for every dollar spent?

When asked, every industry will say they are the area that needs help, so let us put aside the first question – we are no different there. In the constrained environment all state budgets are in, the second question is the most important one to focus in on. How can we as a state get the best return on invested dollars? Where do our limited dollars go the furthest?

Home-based care is easily one of the best investments you can make in the healthcare world. If you need evidence, look no further than what Medicare



Advantage plans are doing. Medicare Advantage plans are aggressively allocating resources and increasing supplemental benefit coverage to providers of non-medical home care services.¹ Why? Because the data shows it works in reducing very expensive hospitalization rates.

Home care is easily one of the most cost-efficient forms of healthcare services. If something is both affordable and has a clear positive return on investment, why aren't we putting more resources into it? A flyer has already been or will be provided showing the \$2.1 BILLION from 2006 to 2018 that has been saved for the state by the CT Home Care for Elders (CHCPE) Program.² This money was saved by having caregivers in our patient's homes, providing care where people want it most and helping to ensure individuals remain at home and out of the hospital.

One other point that I want to ensure is brought to your attention – caregivers are a scarce resource. That means agencies, like ours, need to compete on wages to hire individuals. With other payers paying more, it makes business sense to allocate our labor towards better payer sources, where we can also afford to pay our staff more and ensure we can attract talent. If the state continues to underpay, the issues will only become compounded as the supply of those who provide services will continue to shift away from providing vital services our elderly need.

If rates aren't raised, agencies will dramatically reduce or fully discontinue providing services to Medicaid patients. Fortunately, the return on investment is there to make this decision easy.

Thank you for the opportunity to provide testimony. Feel free to contact me with any questions.

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¹ Home Health Care News: "New CMS Data Highlights 'Massive' Expansion of Home Care-Related Medicare Advantage Benefits," 9/27/20.

² Tracy Wodatch: "Home and Community-Based Services SAVED the State of Connecticut Budget \$398.6-MILLION IN STATE FISCAL YEAR 2018 And a total of over \$2.1 Billion in the last 13 state fiscal years (2006-2018).

