

Senator Harris, Representative Villano & Members of the Human Services Committee:

**RE: SB 303, AAC THE OPERATING EXPENSES OF RESIDENTIAL CARE HOMES**

I am Marge Anderson, former President of the Connecticut Association of Residential Care Homes, and the owner of Morning Star, an eighteen (18) bed home in Kent. I also am a member of the Long Term Care Advisory Council. I want to speak in favor of SB 303 and any other bill that would help our industry.

Residential care homes (RCHs) provide a home for many elderly and disabled people in our communities who have reached the time in their lives when they can no longer live alone. RCHs are "home-like" and tend to be small. The average size home has 25 beds.

The residents are individuals who need assistance with the activities of daily living such as meal preparation, appropriate taking of medications, shopping, laundry, housekeeping, chores. The staff help with these activities but also encourage them to remain as independent as they can for as long as possible. The residents require assistance but do not need the skilled medical care provided in a nursing facility

I support an increase in the minimum "fair rent" allowance. "Fair rent" is based on the original purchase price of the home which in many cases is over 40 years old. When the original "fair rent" is depleted, a minimum fair rent is established. It is currently \$3.10 per day which is not adequate to provide funds for building maintenance and upgrades on an older property. The minimum fair rent has not changed for ten years. Of course, a small "fair rent" allowance does not provide an adequate financial base to approve a loan for repairs. To put it in perspective, in some homes the state is paying \$93 (30 X \$3.10) for lodging of a person for an entire month!

I also support increasing the administrator's maximum base salary to \$48,000 (currently \$43,255). Most administrators are also owners and have 24-hour responsibilities; yet they are compensated at a below market rate for similar management positions with even less responsibility and, certainly, no personal financial risk.

Finally, it is imperative that our per diem rates be reflective of the cost of operations. Each RCH must file a cost report with the Department of Social Services (DSS) to arrive at a per diem rate. Under the complex rate system, incurred expenses might not even be reimbursed until twenty-three (23) months later.

However, last year and in previous years, the State has capped our rate increase by a certain percent. For many homes, this cap means that some expenses will not be reimbursed. Residential care homes are small operations and cannot continue to absorb these losses. The latest Long Term Care Plan states that 84% of the residents were state clients receiving the State Supplement (Aid to the Aged, Blind and Disabled). In an RCH, there is very little or no ability to cost shift to private payers.

In my own situation, the cost report that I filed for my current rate would have amounted to \$74 per day. My costs were higher than usual due to insurance, electricity, heating oil, the need to hire additional staff and unexpected major repairs. Due to the cap, my current daily rate is only \$67 - which means that I am subsidizing a state client for \$7 per day. If I was forced to take out a loan to meet these expenses, I would have no way to repay it. This situation cannot continue.

In the past few years, fifteen (15) homes have closed with over 300 beds that are no longer in use. There are now 100 homes with approximately 2,700 beds. When a home closes, most residents move to a nursing facility because there is no affordable level of supportive care similar to an RCH in the community. This results in a higher cost to the state since it is more costly to provide services in a nursing home.

I implore you to allow the residential care home industry to survive and serve the low-income elderly and disabled. We must be able to be reimbursed for reasonable costs of operation. The rate system must not be capped again or many more homes may close.

I attach a list of homes with last year's rates. As you can see, residential care homes are very cost-efficient for the state.

Residential Care Home Facility Name	Town	Beds	7/05-9/06
			DSS Issued Daily Rate
Bethel Health Care/The Cascades (RCH)	Bethel	14	\$0.00
East Ridge Manor, Inc.	Meriden	25	\$0.00
Fernwood West	West Hartford	17	\$0.00
Haddam Manor, Inc.	Haddam	15	\$0.00
Houghton Cove Manor, Inc.	Uncasville	19	\$0.00
Laurel Living Center, Inc.	Manchester	34	\$0.00
Mystic River Residential Care	Mystic	25	\$0.00
Shelton Lakes Res. & Health Care Ctr.	Shelton	50	\$0.00
Southmayd Home	Waterbury	35	\$0.00
Westcott - Wilcox Home	Danielson	11	\$0.00
Westside Manor	East Hampton	41	\$0.00
Johnson Home, The	Norwich	14	\$31.73
Norah's Place, LLC	Rockville	8	\$31.73
Trauring House, The	Wallingford	8	\$31.73
Card Home for the Aged, Inc.	Willimantic	20	\$42.75
Four Corners Rest Home, Inc.	Milford	18	\$46.11
White Oak Manor	Southbury	16	\$48.89
Fernwood Rest Home, Inc.	Litchfield	68	\$49.96
Hickory Hill Rest Home	Woodbury	15	\$52.27
Marbridge Rest Home	Cheshire	25	\$53.45
Fernwood Manor, Inc.	Hartford	24	\$55.51
Riverview Rest Home	New Haven	50	\$56.88
Crestwood Manor, Inc	Norwich	22	\$59.23
Worthington Manor	East Berlin	42	\$60.47
Highvue Manor	Hamden	47	\$64.45
Morning Star	Kent	18	\$64.96
The Manor on Pine Street	Waterbury	13	\$65.00
Holy Spirit Health Care Center, Inc	Putnam	24	\$65.48
Elm Hill Manor, Inc.	Rockville	17	\$65.50
Teresa Rest Home	East Haven	21	\$66.05
Brookside Rest Home	Danbury	20	\$66.18

Brookwood Manor, Inc.	Watertown	22	\$66.30
Gilmore Manor, Inc.	S. Glastonbury	22	\$66.98
Essex Village	Essex	33	\$67.00
Holly View Manor, Inc.	Bristol	16	\$67.83
Shantok Home	Uncasville	15	\$67.84
Fitchville Residential Care Home, LLC	Bozrah	25	\$68.00
Silver Manor Residential Care Home	Meriden	22	\$68.00
Massack Memorial Home	Rockville	19	\$68.79
Riverview Lodge, Inc.	Deep River	31	\$68.90
Evangelical Baptist Home	Ashford	27	\$69.67
Westway Manor, Inc.	Hartford	15	\$70.81
Briarcliff Convalescent Corp.	New London	25	\$72.86
Maple Leaf Manor, Inc.	West Hartford	15	\$72.89
McLean Health Center	Simsbury	30	\$73.40
Garden View Manor, Inc.	Hamden	20	\$75.00
Lyon Manor, Inc	Willington	36	\$75.00
Greystone Rest Home, Inc.	Portland	58	\$75.58
Park Hill Manor, Inc.	New Britain	15	\$75.78
University Place Residential Care, LLC (Lyndee)	New Haven	11	\$76.14
BellMarie, Inc.	Plainville	24	\$76.50
Saint Lucian's Home for the Aged	New Britain	42	\$76.99
Pleasant View Manor, Inc.	Watertown	19	\$77.58
Meadowbrook Rest Home of Essex, Inc.	Centerbrook	25	\$78.00
Newfield Rest Home	Middletown	14	\$78.00
Stewart Rest Home	East Haven	17	\$78.00
Marionette Manor	New Haven	10	\$78.46
Carlson Place	Norwalk	29	\$78.50
Sunny Lodge Guest Home	New London	15	\$79.49
Holiday Manor, Inc.	Manchester	24	\$79.71
Alberta Manor, Inc	Hartford	30	\$79.99
Greenlodge of Manchester, Inc.	Manchester	20	\$80.62
Char-Laine Manor, Inc	Rockville	20	\$80.83
Regina Pacis Villa	Pomfret Center	11	\$81.35
Berano Manor, LLC	Naugatuck	12	\$81.75

Carriage Manor, LLC	Waterbury	17	\$81.90
Corner House Residential Care LLC	Meriden	25	\$81.91
Roseland LLC (Norcliffe)	Brooklyn	16	\$82.00
Elton Residential Care Home	Waterbury	96	\$82.52
Tracy Manor, Inc	West Hartford	17	\$83.20
Forest Hills Guest Home	West Haven	17	\$84.04
Park City Residential Care Home	Bridgeport	50	\$84.21
Saint Mary Home	West Hartford	97	\$85.69
Seacrest Retirement Center	West Haven	74	\$87.59
Eagle Landing Residential Care Home	Chester	22	\$88.00
Caroline Manor	East Haven	16	\$88.10
Sachem Home	Norwich	10	\$89.78
Groton Regency Center	Groton	81	\$91.19
Julie House	Windsor	19	\$92.72
Tidelawn Manor Rest Home	Westbrook	16	\$95.08
Shady Oaks Rest Home, Inc.	Bristol	16	\$96.42
United Community and Family Svcs.	Norwich	30	\$96.77
Bacon & Hinkley Home, Inc.	New London	14	\$97.89
Oakcliff Convalescent Home, Inc.	Waterbury	16	\$100.00
Pierce Memorial Baptist Home, Inc.	Brooklyn	10	\$103.14
Saint Joseph's Residence	Enfield	64	\$103.85
Scofield Manor	Stamford	50	\$105.72
Curtis Home/St. Elizabeth Center	Meriden	34	\$106.47
Lutheran Home of Southbury, Inc.	Southbury	14	\$106.58
Rose Haven, Ltd.	Litchfield	15	\$107.00
Jerome Home, The	New Britain	26	\$107.93
Avery Nursing Home	Hartford	24	\$108.36
Masonic Healthcare Center	Wallingford	86	\$109.29
Parsonage Cottage Senior Residence	Greenwich	40	\$114.85
Eliza Huntington Mem. Home, Inc.	Norwich	21	\$115.71
Mary Wade Home, Inc., The	New Haven	45	\$120.22
Seabury Health Center	Bloomfield	22	\$121.77
Noble Horizons	Salisbury	25	\$122.13