

Testimony of Toni M. Fatone, Exec. VP
The CT Assoc. of Healthcare Facilities

SB 373, SB 379, SB 386

Goodmorning Sen. Harris, Rep. Villano and members of the Human Services Committee. I am Toni Fatone, the Executive VP of the CT Association of Healthcare Facilities and I am here today to speak on the three pieces of legislation before you regarding the Relocation of Nursing Homes.

The concept of relocating aging nursing homes whose infrastructure has outlived its usefulness is a laudable one. The average age of a nursing home in Connecticut is 37 years old. When these facilities were built they were state of the art healthcare facilities. Over the years as medical technology improved and our residents became sicker and older upon admission the physical plants have struggled mightily to keep up with the demands of the consumers we are now caring for and the medical technology their care warrants. However, this struggle is NOT one that is limited to just these facilities seeking an exemption to the State's moratorium on construction of new nursing homes. It is a struggle faced by nearly all of Connecticut's 242 nursing homes across the state. This moratorium, which has prevented new homes from being built, has been in place for well over a decade. This moratorium which the Legislature put in place was a budget measure to limit the double-digit growth in the Medicaid line item. Yes new nursing homes like new hospitals are extraordinarily expensive endeavors and the Legislature should proceed cautiously but we argue should proceed!!

While this moratorium has worked successfully for the last 12 years to limit spending in the State's Medicaid budget, it is a concept maybe who's time has come. We cannot develop a state of the art nursing home system in Connecticut with an iron clad moratorium that warrants special pieces of legislation to circumvent. Elimination of the moratorium will level the playing field and allow all nursing homes to benefit rather than a just a select few.

If we are going to begin to allow exceptions to the moratorium, then we must be prepared to just eliminate the moratorium and let market competition play itself out. Without eliminating the moratorium, what you are allowing is a few facilities to build brand new state of the art nursing homes in the back yards of their competitors, while simultaneously binding the hands of the remaining facilities with the moratorium that prevents them from being able to relocate or upgrade their own facilities.

If these bills are to be consistent with the State LTC Plan, then we must look at our aging physical plant stock in its entirety and develop a long range plan on how to address the problems of facilities statewide that operate out of physical plants that are nearly 40 years old.

All facilities should be allowed to develop a plan to relocate if they choose or build brand new facilities on their existing property pursuant to a statewide plan. But to allow one or two or facilities the privilege to build new facilities without allowing all nursing homes with their own aging physical plants the same right to upgrade their facilities is simply a recipe for disaster and in the end will be counter productive to the goals of the State's Long Term Care plan.