



Testimony of the Connecticut Association of Adult Day Centers

In support of SB Bill #572- An Act Increasing Reimbursement Rates for Providers of Adult Day Care Services
In support of HB Bill #5301- An Act Concerning Rates of Payment for Adult Day Care Services
In support of SB Bill #384- An Act Increasing Funding for the Home Care Program for the Elderly
In support of HB Bill # 5663- An Act Increasing Funding for the Home Care for the Elderly Program

**Presented to the Human Services Committee
by Michael F. Hebert, Advocacy Chair of (CAADC)
February 8, 2007**

Distinguished members of the Human Services Committee. My name is Michael Hebert and I am the Director of the Preston House Adult Day Health Center in East Hartford and Advocacy Chair of the Connecticut Association of Adult Day Centers, an organization of 51 adult day centers from across the state. I am here today to speak in strong support of *increased funding for Adult Day Centers and the Connecticut Home Care Program for Elders outlined in SB # 572 and HB #5301 and SB #384 and HB #5663*. I would like to also like to acknowledge the support of Senators' Harris, Prague, Kissel, Handley, Meyers and Rep. Villano for their continued support of our adult day centers and the Connecticut Home Care Program for Elders. We also support the expansion of this program to service the growing numbers of disabled adults under the age of 65.

Adult day centers offer high quality community-based program of health, social and rehabilitative services. We provide a comprehensive array of programs and services including nutritious meals, nursing services, care management, personal care and bathing services, social work services, social and recreational activities, rehabilitation, and wheelchair-escorted transportation - all at a fraction of the cost of skilled nursing care or assisted living. We are funded primarily through the Department of Social Services (DSS) Connecticut Home Care Program for Elders (CHCPE/ Medicaid-waiver), but unfortunately the reimbursement rate has not kept pace with the cost of providing our services. As our costs continue to rise for professional staff, specialized transportation services and program operations our centers are finding it fiscally hard to stay open given the current reimbursement rate from DSS. Sixteen (16) adult day centers in Connecticut have closed in the last five years including my own in 1995 sponsored through Endowment funds by Jefferson House, a Department of Hartford Hospital. Fortunately for our participants and caregivers, Maxim Healthcare Services stepped in to assume the sponsorship of our program and prevent many of our participants from unwarranted nursing home placement. There are parts of our state that are not as fortunate currently without an Adult Day Center close enough to offer older adults and their caregivers this necessary option for their care. Yet this continues to be an invaluable service to provide our frail elderly and their caregivers who wish to remain in the community.

Please support an increase in funding and the reimbursement rate paid by DSS under the Medicaid-waiver to adult day center services and the Connecticut Home Care Program for Elders to ensure adult day center services remain a viable choice for the elderly in our state. **The average cost to care for a client in an adult day center is \$78.00 per day. The state currently reimburses \$61.70 per day under the Connecticut Home Care Program for Elders, a loss of \$16.30.** The state does not provide additional reimbursement for the door to door round trip transportation that we are required to provide. This cost alone calculates to \$16 per day, per client and many centers transport 90+% of their daily participants. Adult day centers are the only

Medicaid-waiver service mandated to provide transportation as part of their daily rate consuming a substantial piece of our operating budgets . Additionally, centers do not receive reimbursement for participant absenteeism even though centers must staff and prepare for anticipated attendance. These may seem like small issues, but they can be devastating to an adult day center's budget and fiscal viability.

We understand the challenges the Connecticut legislature faces in 2007, to fairly fund so many vital services and programs, but we firmly believe adult day centers and the Connecticut Home Care Program for Elders save Connecticut significant long-term care dollars and provide a vital link to the Connecticut Long-Term Care Advisory Council's recommendations towards balancing the long-term care system in Connecticut and meeting the growing needs of our elderly and their caregivers.

Thank you for this opportunity to testify today.

Respectfully submitted,

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Connecticut Association of Adult Day Centers

Please Support Increased State Funding For Adult Day Services

Adult day centers provide a cost effective alternative for families needing to care for their loved ones. With adult day services, clients are able to remain in their homes rather than moving to assisted living or a nursing home. At the same time, their quality of life is enhanced with a strong social component and a continued sense of independence. Unfortunately, while adult day centers provide a cost effective option to families, the current level of state reimbursement is making it increasingly difficult to remain a viable option.

Adult Day Centers Provide a Rich Array of Services

- Adult day centers provide help with activities of daily living, including toileting, bathing, walking, transferring, and eating.
- Medical model day centers have on-site licensed nursing staff, access to rehabilitation services, and bathing facilities in addition to the nutritional, social, recreational and other services provided by social model programs.
- Door to door transportation is provided to and from the center and these costs are bundled into the package of services provided to clients of the Connecticut Home Care Program for Elders.
- The nursing, nutrition, rehabilitation and social services provided in adult day centers help frail elders remain at home – including many who would otherwise require nursing home placement.

Adult Day Health Care is a Cost-effective Alternative to Nursing Home Care

- A day of adult day center services currently costs the state \$61.70 (medical model) and 57.70 (social model) making them a cost effective option compared to nursing home placement where the daily rate is closer to \$211.
- By keeping clients in their homes, the net savings to the State attributable to the Connecticut Home Care Program for Elders add up to many millions each year.

State Payment Does Not Cover the Cost of Adult Day Health Services

- Adult day centers face financial losses with each Home Care Program client they serve.
- There are currently **50** certified adult day centers in operation, but **16** have closed in the last five years due in large part to the low state reimbursement rate.
- **The average cost to care for a client in an adult day center is approximately \$ 78.00 per day. The state currently reimburses a medical model center \$61.70 a loss of \$16.30 per day.**
- The costs of providing day services continues to rise as some clients require the assistance of two staff members for toileting and bathing; many suffer from confusion and require constant supervision.

Costs are rising due to several factors:

- **Staffing** - Adult day centers are not immune from the nursing shortage, and they typically cannot compete with the benefits and incentives larger facilities offer.
- **Transportation** - The associated costs such as insurance and fuel are significant and have risen dramatically in recent years. The requirement remains that transportation be included within the daily rate.
- **Absenteeism** - The state will not pay for scheduled clients who do not attend for the day. The center incurs the cost in anticipation of the client's attendance, but they receive no reimbursement.