

Statement of Martin Sbriglio
before the
Human Services Committee
in support of Raised Bill 662
March 11, 2008

Sen. Harris, Rep. Villano and members of the committee:

My name is Martin Sbriglio. I am president and chief executive officer for Ryder's Healthcare System, a family-owned company that manages several nursing homes here in Connecticut. My parents started the company decades ago and we pride ourselves on the personalized care we provide to our residents.

I am here to offer comments in regard to Raised Bill 662, *An Act Concerning Medicaid Eligibility and Reimbursement*. Obviously, this is a very complicated and lengthy bill that contains dozens of provisions. I would like to address two issues: fair rent adjustments and the payment for "pending cases".

Section 8 will create a new formula governing the "fair rent" component of the per diem rate that nursing homes are paid for caring for Medicaid patients. Very simply, this will take an outdated formula element and update it. The current formula discriminates against older facilities. Yet, without an adequate Medicaid reimbursement, it is impossible to modernize them. It is a catch-22. I believe the change proposed in Section 8 is fair and reasonable.

Section 14 will create a new account to pay for residents who apply for Medicaid but have not yet been granted eligibility. These are the so-called "pending cases". We will take a patient and provide them care. But DSS will not reimburse us until the residents are certified as being eligible for Title XIX. This can take months—meanwhile, we absorb this cost and have to go to a local bank to finance these unreimbursed costs. Ultimately, 90 percent of the patients are deemed eligible and we are then reimbursed—months, or years, after the fact. I do not believe this provision will add new net costs to Medicaid. It *will* have a very positive effect on the cash flow of nursing homes, however. We'll be paid for the services we deliver.

In summary, I support this legislation and urge you to specifically approve Sections 8 and 14. I appreciate having the opportunity to testify before you and I will be happy to answer any questions you might have. Thank you.