



State of Connecticut
SENATOR DONALD E. WILLIAMS, JR.
Twenty-ninth District
President Pro Tempore

Testimony

SB 577, AAC The Nursing Home Financial Advisory Committee

Public Health Committee

March 12, 2008

Senator Handley, Representative Sayers, and Members of the Committee:

As you well know, nursing homes are a critical part of our healthcare system. Both the elderly and the disabled depend upon them for a range of services. Whether a stay in a nursing home is for a short period of rehabilitation or for an extended period, it is our job to be sure that the services available in these facilities are of the highest quality. Recently, however, we have seen that nursing homes are not always providing the quality of care that we expect from them.

While there are many initiatives that are being considered in this legislative session that would strengthen our state's nursing homes, I am here to speak in favor of one specific initiative that is before you today: creating a nursing home oversight board that would provide appropriate supervision of these institutions.

SB 577, AAC The Nursing Home Financial Advisory Committee, strengthens the current level of oversight. In particular, this bill gives the oversight committee subpoena power over nursing homes, their parent companies, and management services. These steps are necessary in order to help unravel the complex organizational structures that some companies erect in order to hide what they are doing with state funds intended to provide care for nursing home residents. A strong, independent oversight committee will enable us to monitor and audit the finances of nursing homes and related entities, in order to avoid a repeat of last years' Haven disaster, where a nursing home chain was forced to declare bankruptcy after diverting state dollars to a number of inappropriate uses, including a recording studio.

One suggested revision to the bill as written is to have the Comptroller chair the committee, rather than the Commissioners of Social Services and Public Health. Given the inherent conflicts of interest that may arise by having the Commissioners serve in

multiple capacities, I believe that it is best to have a neutral party chair the committee. Furthermore, I believe that is extremely important to have the legislative branch well-represented on the committee.

I know that there are other proposals for strengthening the ability of government to monitor the financial condition of nursing homes. I would be happy to work with the committee to craft the most effective legislation possible to accomplish this essential goal.

Thank you very much.