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**Testimony of the Connecticut Association of Not-for-profit Providers for  
the Aging**

**To the Human Services Committee**

**February 24, 2009**

**Presented by Mag Morelli, President**

**In Support of Senate Bill 957, An Act Concerning Medicaid Eligibility for  
Persons Living In Residential Care Homes**

*CANPFA members serve thousands of people every day through mission-driven, not-for-profit organizations dedicated to providing the services people need, when they need them, in the place they call home. Our members offer the continuum of aging services: assisted living residences, continuing care retirement communities, residential care homes, nursing homes, home and community based services, and senior housing.*

Good morning Senator Doyle, Representative Walker, and Members of the Human Services Committee. My name is Mag Morelli and I am the president of the Connecticut Association of Not-for-profit Providers for the Aging (CANPFA), an organization of over 150 non-profit providers of aging services representing the full continuum of long term care. Thank you for this opportunity to testify in support of Senate Bill 957, An Act Concerning Medicaid Eligibility for Persons Living in Residential Care Homes.

CANPFA strongly supports this bill which would allow the use of Special Needs Trusts to help persons who are slightly over income, qualify for the State Supplement Program in order to remain in a residential care home (RCH) rather than move to a nursing home. CANPFA has long sought a solution to this problem and we are supportive of the concept contained in this bill which is being proposed by the Department of Social Services and which seems to be a reasonable solution.

Background

Residential care homes are licensed by the Department of Public Health and provide room, board and personal care services. RCHs can be the ideal residential setting for many lower income elderly or disabled individuals who are unable to live independently.

Funding for residents of RCHs is available through the State Supplement Program. Unfortunately the income eligibility for State Supplement is very strict and is set by the federal government at 300% of the maximum Supplement Security Income (SSI) benefit – a little over \$1,800 a month. To pay privately for staying in a residential care home can cost up to \$3,000 per month. Therefore if a residential care home resident's income becomes slightly higher than \$1,800,

but it is still too low to afford the RCH's private pay rate, they often are forced to request placement in a nursing home. Since residential care homes cost approximately half of the cost of nursing homes, the cost to the state of this unnecessary placement in nursing homes can be extensive.

In previous years we have submitted testimony about an RCH resident in Fairfield County who had been living at the home for three years and had done quite well. He was a former officer in the Army who suffered from major depression. He had been paying privately for his room, but, unfortunately, he had run out of savings. He had a monthly income of \$2,300 a month which put him over income for the State Supplemental Program, but did not give him enough to afford the private pay rate to remain at the home. There was nothing that could be done and his family was told that he would need to seek placement in a nursing home.

We also testified about an RCH applicant who had been a teacher in his late 50s. He was disabled by a mental condition and sat for hours in his apartment, forgetting to eat, change his clothes and take his medications. Although he had the services of a home health aide four hours a day, he would still forget meals and medication and had limited socialization. Unfortunately, his pension and disability benefits totaled \$95 above the limit for the State Supplement program. His sons were unable to take him into either of their homes and they had to consider nursing home placement, which is unfortunate for someone who needs minimal assistance.

Seeking a solution to this dilemma has not been easy, but it is paramount if the state's goal is to provide individuals the opportunity to receive long-term care services in the least restrictive and most appropriate setting. And so CANPFA supports this bill that would allow individuals living in or choosing to live in residential care homes to transfer assets to a special needs trust for the purpose of qualifying for the State Supplement Program.

Thank you for your consideration of this testimony

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