

1122



TESTIMONY BEFORE THE HUMAN SERVICES COMMITTEE REGARDING
S.B. 1122 – AN ACT CONCERNING CHANGES TO THE HUMAN SERVICES
STATUTES

March 17, 2009

Senator Doyle, Representative Walker, and members of the Human Services Committee, my name is Ellen Rothberg and I am President & CEO of VNA HealthCare, whose 750 employees provide home health care, hospice and independent living services to 10,000 patients annually in north central Connecticut. I am here today to support increases in reimbursement for home health care.

Before I ask you to support our bill I'd like to provide you with some context. Our agency began providing care to individuals in their homes around the turn of the century. For the next 108 years we have continued to do that - regardless of their ability to pay. I have seen home health evolve to high tech, high touch care. Now every nurse has a laptop, we take home patients who just a year ago would languish in the hospital awaiting heart transplants and utilize sophisticated telemetry and wound vacs to keep patients out of expensive institutions. The more we use home health care the more the state saves. Consider the cost of an additional hospital day at \$2000/day vs. a nursing visit and home health aide at less than \$200/day.

Our industry has risen to the challenge of funding large capital outlays for these new technologies. Laptops and software run about \$1.5 million as an initial investment, telemonitors are \$4000 apiece. We have succeeded in providing the latest care despite decades of receiving about 70 cents on the dollar from the state. Every year we have about a \$1.4 million dollar loss on Medicaid patients.

We have relied upon the largesse of our donors, foundations, corporations and federal government to support our mission. However, that strategy is coming to a swift end. In the current climate we cannot expect the same level of support from donors. Foundations are cutting back. Many United Ways anticipate at least a 20% cut in funding. But the most ominous cuts are coming at the federal level with an anticipated cutback of 5.5% or \$1 million dollars to VNA HealthCare next year alone.

The combination of change in donor and foundation support coupled with major loss of Medicare revenue forces our agency to assess our ability to continue to serve the poor and underinsured and, yes, the Medicaid patient.

Lest you think we have not made changes to reduce our costs, we have: we have frozen our pension plan, increased employee contributions for health insurance, consolidated offices, eliminated positions and generally done everything we can to combat inflation and the increasing cost of energy, insurance and salaries.

The State of Connecticut has taken advantage of non-profits knowing that we have a long-standing commitment to our mission. But nowhere in that mission does it say, "go out of business to fund Medicaid losses."

At a time when the State is looking for cost effective ways to deal with its citizens, it makes sense to invest in home health care. That is why I support SB 1122 and make our payments equal to the per visit payments under the Medicare program

Thank you very much and I urge you to pass this bill out of the committee.

Ellen D Rothberg, RN, MPH

President & CEO

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