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Written testimony of Russell Schwartz, Director of Operations for Avon Health Center & West Hartford Health & Rehabilitation Center. In Opposition to 2% Medicaid Nursing Home Rate Reduction proposed in Governor's State Budget Deficit Mitigation Plan

Good afternoon/evening Senator Harp, Representative Geragosian and to the members of the Appropriations Committee. My name is Russell Schwartz. I am Director of Operations for **Avon Health Center in & West Hartford Health & Rehabilitation Center**. Our facilities have been longstanding providers of nursing care in both of the communities we serve. We care for 280 frail and infirm residents that require round the clock care. We employ more than 400 staff members that rely on us to support themselves and their families. I feel an awesome sense of responsibility to provide quality care for my residents, and secure employment for my staff. For more than 30 years, my family and our facilities have had strong ties with the Avon & West Hartford communities

I am here today to ask that the Appropriations Committee take a strong position against the Governor's proposal to cut nursing home Medicaid rates by 2%, in the Governor's most recent State Budget Deficit Mitigation Plan.

This Committee should recognize that this unsustainable proposal comes on the heels of the very deep cuts to Connecticut nursing home funding in the recently adopted two-year State budget, millions in Medicare cuts made this past October, and still further cuts proposed by Congress in the pending healthcare reform legislation.

For **Avon Health Center in & West Hartford Health & Rehabilitation Center**, the elimination of the statutory nursing home rate rebasing and the annual cost of living adjustment translated into real Medicaid rate cuts.

Restrictions adopted last session in Fair Rent rate add-ons for repairs and renovations mean that the almost \$3 million we just invested into our facilities will go un-reimbursed, yet I must still make my mortgage payments.

In October, **Avon Health Center in & West Hartford Health & Rehabilitation Center** began receiving less Medicare Reimbursement with the implementation of the CMS final rule. Connecticut nursing homes, like **Avon Health Center in & West Hartford Health & Rehabilitation Center**, face even further federal Medicare cuts with the adoption of health care reform legislation pending in Congress. As much as \$24 billion in cuts to Medicare have been proposed over the next ten years.

In this economic environment, these additional cuts recommended by Governor Rell are simply unsustainable. We continue to be under-funded by the Medicaid program, and **there are no more dollars left to take**. I have reduced my non-payroll operating expenses as low as they can go. **There is no where else to cut except for staff**. The stakes are high. I am deeply concerned about the welfare of my residents and the future for my staff. I have a moral and ethical responsibility to my residents to provide the highest level of care possible. They will be placed in serious jeopardy if the Governor's proposal is adopted, as I will be forced to cut staff. More nursing homes will surely close, and jeopardize care for thousands of frail and elderly residents. In addition it will result in the elimination of jobs for thousands of caregivers across the State, at a time when we can least afford more job losses. The loss of more nursing homes will leave Connecticut residents without the care that can only be provided in a nursing home.

For these reasons, I respectfully urge you to reject the Governor's proposed Medicaid rate cuts to nursing homes. Please help my residents continue to receive the high quality care they know and deserve. Thank you.