

**Testimony of the
Connecticut Association of Adult Day Centers
To the Appropriations Committee
Regarding the Governor's Proposed Budget Adjustments
February 11, 2010**

Good evening Senator Harp, Representative Geragosian and Members of the Appropriations Committee. My name is Michael Hebert and I am the director of the Grasmere by the Sea Adult Day Center of the Jewish Home for the Elderly in Fairfield. I am submitting testimony today on behalf of the 46 adult day center members of the Connecticut Association of Adult Day Centers in strong support of *maintaining funding for Adult Day Centers, eliminating the 15% co-payment on the state funded portion of the Connecticut Home Care Program, and fully funding the Alzheimer's Respite and Statewide Caregiver Respite Programs.*

Please support the Adult Day Centers reimbursement rate to ensure that this community based option remains a viable choice for the elderly in our state. We understand the challenges the Connecticut legislature faces in this fiscal year to fairly fund so many vital services and programs, but we firmly believe adult day centers save Connecticut significant long-term care dollars as well as providing a vital link to the Connecticut Long-Term Care Plan's recommendations towards balancing the long-term care system in Connecticut and meeting the growing needs of Connecticut's elderly and their caregivers.

Adult Day Health Centers offer a solution to saving the state millions of dollars by offering services in the community allowing older adults to stay where they would prefer to live, in their own homes. Adult day services have proven to keep older adults happier and healthier and prevent nursing home placement for many years and in some cases avoiding institutional care altogether. Our current per diem rate of \$66.22 for a medical model center covers a day of comprehensive care including nursing care, case management, personal care services, nutritional services, social work services, therapeutic recreational services, dementia care services, rehabilitative therapies, and door-to-door wheelchair escorted transportation.

The rebalancing of the long term care system looks to community services to assist in this process. Adult Day Health Centers want to remain a part of this service system, but without maintaining our current reimbursement rate many of us will be forced to close our doors. Over the past 7 years, 16 Centers have closed in large part to the low state reimbursement rate.

In 2009, three highly respected centers (McLean Home (Simsbury), Edward Miller (Shelton) and Visiting Nurse & Health Services of CT (Tolland) closed their adult day center doors or withdrew from the DSS Connecticut Home Care Program (CHCPE) Medicaid-waiver program due to inadequate reimbursement and operating losses. My own nonprofit organization, The Jewish Home for the Elderly consolidated both our Jewish Home Adult Day Center and Grasmere Eldercare centers in Fairfield to provide one comprehensive program called Grasmere by the Sea. Based on the recommendations of the CT Long Term Care Needs Survey, the Jewish Home has invested in our new adult day center facility because we have been led to believe that the future of long term care in Connecticut is in community-based services as we rebalance the financing of our long term care system in Connecticut and nationally.

It has been well documented by this study and DSS that community based services like adult day centers and the Connecticut Home Care Program for Elders (CHCPE) save our state budget millions of dollars in Medicaid and state funding. Unfortunately, the state has instituted a new co-payment for level I and level II state-funded CHCPE clients of 15% per month cost sharing fee to remain eligible for the this vital funding source. For many (20% of the CHCPE caseload) of these clients and their caregivers who rely on these preventive community-based services, this represents from \$200 - \$400 per month out-of-pocket costs toward their care plan expenses. Given the rising heating fuel, prescription drug and health care expenses, many of these CHCPE recipients have or may opt out of the program to pay for these other living expenses and forego needed care. Once again, this is "Penny-wise and pound-foolish" as these preventive long-term care services are substantially cheaper than the alternative of hospitalizations and premature nursing home placement.

There is also an inherent contradiction in Connecticut as we worked to transition persons from nursing homes back to the community with the Money follows the Person Program, yet we are denying access and creating eligibility barriers to these same community-based services to elderly and their caregivers by the 15% copayment on the state-funded Connecticut Home Care Program for Elders. Although we highly support the Money Follows the Person philosophy, we are potentially forcing existing community-based elders into institutional settings sooner through these copayments and the discontinuation of services. **In addition, waiting lists grow everyday for Alzheimer's Respite and Statewide Caregiver Respite Programs, Social Service Block Grant funds for community-based services and delayed processing times for Title 19 applicants due to a shortage of eligibility workers.** In my own center, I have two families who have been awaiting Level III eligibility for the Connecticut Home Care Program for Elders and Medicaid since August 2009 and we have funded them through foundation support and fundraising during this eligibility process. Many of our urban adult day centers report that

Connecticut Home Care Program for Elders clients comprise 95-100% of their program enrollments. The loss of these clients will cause financial devastation to their centers and we would be likely to see more centers close in the year ahead.

We understand the economic challenges the State of Connecticut and DSS faces to balance the budget deficit but to place this burden on the backs of our frailest elders, their caregivers and our provider agencies trying to support their desire to remain in their respective communities is unconceivable

Please retain the current rates for our adult day centers in the DSS budget, eliminate the 15% co-payment on the state funded portion of the Home Care Program, and fully fund the Alzheimer's Respite and Statewide Caregiver Respite to ensure that this community based option remains a viable choice for the elderly in our state. I would be happy to answer any questions and can be contacted at (203) 365-6469 or at mhebert@jhe.org.

Thank you.

Respectfully submitted,

Michael F. Hebert, MSW, MBA Program Director,
The Jewish Home for the Elderly d/b/a Grasmere by the Sea Adult Day Services (Fairfield)
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Increased State Funding Is Needed For Adult Day Services

Adult day centers provide a cost effective community- based long term care alternative for older adults wishing to remain in their homes but who need varying assistance during the day. With adult day services, clients are able to remain in their homes rather than moving to assisted living or a nursing home. At the same time, their quality of life is enhanced with a strong social component and a continued sense of independence. Unfortunately, while adult day centers provide a cost effective option to families, the current level of state reimbursement is making it increasingly difficult to remain a viable option.

Adult Day Centers Provide a Rich Array of Services

- Adult day centers provide help with activities of daily living, including toileting, bathing, walking, transferring, and eating.
- Medical model day centers have on-site licensed nursing staff, access to rehabilitation services, and bathing facilities in addition to the nutritional, social, recreational and other services provided by social model programs.
- Door to door transportation is provided to and from the center and these costs are bundled into the package of services provided to clients of the Connecticut Home Care Program for Elders.
- The nursing, nutrition, rehabilitation and social services provided in adult day centers help frail elders remain at home – including many who would otherwise require nursing home placement.

Adult Day Health Care is a Cost-effective Alternative to Nursing Home Care

- A day of adult day center services currently costs the state 66.22 (medical model) and 62.18 (social model) making them a cost effective option compared to nursing home placement where the daily rate Medicaid rate average is \$218.
- By keeping clients in their homes, the net savings to the State attributable to the Connecticut Home Care Program for Elders add up to many millions each year.

State Payment Does Not Cover the Cost of Adult Day Health Services

- Adult day centers face financial losses with each Home Care Program client they serve.
- There are currently 46 certified adult day centers in operation, but 16 have closed in the last seven years due in large part to the low state reimbursement rate.
- **The average cost to care for a client in an adult day center is approximately \$ 81.00 per day. The state currently reimburses a medical model center \$66.22 for a loss of \$14.78 per day.**
- The costs of providing day services continues to rise as some clients require the assistance of two staff members for toileting and bathing; many suffer from confusion and require constant supervision.

Costs are rising due to several factors:

- **Staffing** - Adult day centers are not immune from the nursing shortage, and they typically cannot compete with the benefits and incentives larger facilities offer.
- **Transportation** - The associated costs such as insurance and fuel are significant and have risen dramatically in recent years. The requirement remains that transportation be included within the daily rate.
- **Absenteeism** - The state will not pay for scheduled clients who do not attend for the day. The center incurs the cost in anticipation of the client's attendance, but they receive no reimbursement.

Please Support State Funding for Adult Day Services that more closely represents our actual costs.