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The Connecticut Association of Not-for-profit Providers For the Aging

Testimony to the Government Administration and Elections Committee

Presented by Mag Morelli, President

February 28, 2011

Regarding

Senate Bill 1059, An Act Implementing the Recommendations of the Commission on Enhancing Agency Outcome
Sections 298-300, 302

Good morning Senator Slossberg, Representative Morin, and members of the Committee. My name is Mag Morelli and I am the president of the Connecticut Association of Not-for-profit Providers for the Aging (CANPFA). On behalf of CANPFA, I would like to submit testimony on sections 298, 299, 300 and 302 of the bill before you today.

CANPFA is a membership organization representing over 130 mission-driven and not-for-profit provider organizations serving elderly and disabled individuals across the continuum of care including nursing homes, residential care homes, housing for the elderly, continuing care retirement communities, adult day centers, home care and assisted living agencies. CANPFA members are sponsored by religious, fraternal, community, and governmental organizations that are committed to providing quality care and services to their residents and clients. Our member organizations, many of which have served their communities for generations, are dedicated to providing the services that people need, when they need them, in the place they call home.

Sections 298, 299, 300

Return of Unused Prescription Drugs by Long-term Care Facilities: CANPFA supports the current drug return program for long term care facilities and would be pleased to participate in efforts to enhance the program. We have worked in the past with the Department of Social Services to ensure compliance amongst our membership. The program initially was very limited in the number of prescription drugs that could be returned and then later was complicated by the creation of the Medicare prescription drug benefit. These hurdles caused some disruption in the program in recent years, but we have hopefully moved toward increased compliance and I would encourage the committee to stress improving compliance before assessing penalties.

Plan for Use of Generic Substitute Prescriptions and Drug Utilization Review: CANPFA would strongly suggest that the state enlist the guidance and advice of the state's geriatric physicians and nursing home medical directors in any effort to develop plans regarding the utilization of prescription drugs, either brand name or generic, as they relate to the geriatric resident population of our state's nursing homes.

Section 302

Strengthen Our Long Term Care System and Developing Nursing Home Solutions
CANPFA promotes a vision in which every community offers an integrated and coordinated continuum of high quality and affordable long term health care, housing and community based services. In response to the recommendation for a long-term care rebalancing strategy, we agree that there is a need to change our current regulatory system and to move quickly to strengthen our system of long term care, and particularly the nursing home segment of the long term care continuum. It is time to look toward innovative solutions and begin to create the future of aging services.

The provider members of CANPFA propose that the state allow the professionals in the long term care field to institute individual change by being given the latitude to develop their own individual business plans for their existing skilled nursing facilities and campuses. The objective for the state would be to solicit plans of restructuring, diversifying and/or downsizing existing facilities and services to build a better model of care that would strengthen the full continuum and therefore meet current consumer demands, market needs and the goals of the state's long term care plan. Restructuring could be budget neutral or result in savings to the state, both short term and long term, through fewer nursing home Medicaid bed days and healthier facilities that will not need the costly interim rates that are currently negotiated by the state when a nursing home runs into dire financial difficulty.

The concept would be to give the individual providers the opportunity to transform the state's system of aging services *one solution at a time.* To allow this to work, the state would have to modifying the administrative process and regulatory mind set that currently restricts innovative initiates in the field. The state agencies and their processes would need to become more flexible, objective, coordinated and timely. This change in philosophy and practice would encourage providers to be creative in their thinking and create real solutions to the needs of their region while bringing innovation and modernization to the residents they serve.

Attached to this submission is an outline entitled: "Creating the Future of Aging Services One Solution at a Time" which outlines the goals and recommendations of this policy initiative

Thank you for this opportunity to provide this testimony and I would be happy to answer any questions.

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Creating the Future of Aging Services
One Solution at a Time

We have too long relied on interim rates to bail out homes caught in our outdated and stagnant concept of long-term care. It is time to look toward innovative solutions and begin to create the future of aging services.

We propose that the state allow us, the long term care professionals, to initiate those innovative solutions - *one solution at a time.*

Nursing home solutions:

- Allow and encourage the development and implementation of individual business plans for our existing skilled nursing facilities and campuses.
- Voluntarily adjust the supply of beds to meet the skilled bed need and correct the occupancy percentage throughout the entire skilled nursing field.
- Improve and update physical plant and moveable equipment to address the rising level of acuity in our skilled facilities.
- Redesign, transform and/or modernize current physical plants to address future consumer needs, demands and expectations.
- Encourage diversification and the development of full continuums of long term care options for consumers.
- Accomplish all of this in a budget neutral manner and create a system that will save significant dollars in future years.

To allow for these solutions, the regulatory environment needs to:

- Encourage renovation and improvement to physical plant, investment in modern equipment, and adoption of state of the art models of care that will meet the demands of a changing consumer and enhance the work place environment.
- Facilitate a rational process for adjusting the bed supply across the state including the opportunity to mothball beds.
- Encourage the diversification of services and the development of continuums of care.
- Provide budget neutral prospective rate relief to facilities experiencing financial difficulties due to low occupancy rates, *but only* if the nursing home is taking the necessary steps to correct and improve occupancy percentage.
- Most importantly, the regulatory process must be conducted efficiently and timely, and in a coordinated manner between all administrative levels of state government including both the Department of Social Services and the Department of Public Health.

Creating the Future of Aging Services

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