

Human Services Committee

March 14, 2011

**Re: Testimony in OPPOSITION to S.B.1013 AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS CONCERNING HUMAN SERVICES.**

Dear Senator Anthony Musto, Representative Peter Tercyak and Members of the Human Services Committee, Thank You for allowing me to submit testimony in opposition to SB 1013.

My name is Russell Dence and my wife Cheryl and I own and operate Char-Laine Manor a 23 bed Residential Care Home in the Rockville section of Vernon.

We **oppose** S.B.1013, Section 9 continuing the cap on our rates until June 30, 2013 due to the fact that as smaller facilities we do not have the financial depth it requires to maintain rising costs. This freeze was applied two years ago and we all knew it would be tough but we would do our share. I have trimmed expenses, reduced benefits for our employees and have not given raises in the past two years. Now we are being asked to do it again. We personally are at 100% state assisted residents and do not have a private pay base that we can shift costs to. Many homes simply cannot afford to do this.

The homes in Connecticut that participate in the Medicaid reimbursement program are actually operating on costs based on the October 2008 – September 2009 cost year. We are being asked to maintain our homes and provide the best care possible to Connecticut's most needing population, the elderly and disabled. We are looking at buying gasoline currently near \$4.00 per gallon and according to experts could be as high as \$6.00 per gallon in two years and being reimbursed at a rate of \$1.88 what I paid in the fall of 2008. The same for fuel oil, insurances, cleaning supplies, food and utilities.

May I suggest if you do extend our cap on rate increases for the next two years that you also cap our providers of services such as the insurance industry, utility companies, oil companies and food suppliers. At least keep the playing field even. Or, rather than the rate reflected in our cost report a modest percentage increase that would allow us to compensate our dedicated staff members. The state could also save us both money by waiving our responsibility and expense of submitting our annual cost report and audits for this time period. After all, if our rate isn't increasing why would we still incur the cost required to do just that?

Respectfully Submitted,

Russell Dence  
Char-Laine Manor