

Statement of Martin Sbriglio
on behalf of the
Connecticut Alliance for Subacute Care
before the
Public Health Committee
March 23, 2011
Senate Bill 1185

Sen. Gerratana, Rep. Ritter and members of the committee:

My name is Martin Sbriglio. I am president and chief executive officer of Ryder's Health Systems, Inc., that owns and operates several long-term care facilities in Connecticut. **We are not some out-of-state conglomerate—we are a family-owned company that has tried to do the best we can in serving the needs of our patients for 60 years.** I am also representing the Connecticut Alliance for Subacute Care, a small state association that has affiliated members in this industry.

I would like to offer brief comments on Senate Bill 1185, *An Act Concerning State Payments to Nursing Homes and the Duties of Nursing Home Receivers*.

Section 1 of the bill would update rate revisions to include the so-called “fair rent” component. I support this because too often the rates paid to facilities do not reflect the improvements and capital expenditures that have been made to improve the quality of a facility.

Section 2 would permit the DSS Commissioner to issue a new rate when a facility's occupancy dips below 95 percent and the facility agrees to take some beds out of use. Please note the bill requires that such actions be “budget neutral” over a projected five-year period. This section also has a common sense provision that would not allow a facility in receivership to obtain a new rate that exceeds that which exists at any facility within a 15 mile radius.

Section 3 contains notice requirements that would be made when a facility enters receivership.

Section 4 establishes better standards over the qualifications of receivers, and limits their fee to a maximum of \$2.50 per patient per day at the facility.

Members of the committee, all of these proposals are simple steps that you can take to help long-term care facilities, many of which are in dire financial condition. As you know, we have not received a Medicaid rate increase for several years—but our costs keep going up. Something has to give. SB 1185 is a good first step in this regard.

In regard to Medicaid policy, I would like to ask that you do more to help long-term care facilities to try and recover funds that have been transferred to a family member from a resident's assets. These transfers take place as a way of depleting the patient's assets so that they can have Medicaid pay for their care. If transfers are deemed to have occurred, our facility then needs to try and recover the funds. Title XIX, meanwhile, will not pay for care that we render until such time as we absorb the value of the amount transferred. This can be hundreds of thousands of dollars in care—and we don't see a penny from the state.

The committee should consider strengthening this bill by giving additional authority and resources to the Attorney General to file suit to compel recovery of transferred funds. Overall, the playing field on these transfers right now is not level. We would appreciate it if you could take some small steps in this regard now. The text of Senate Bill 2999 from the 2009 session could be a good starting point in this regard. It will allow us to concentrate on our core mission of providing consistent, high-quality care to our patients. Thank you.