



TESTIMONY BEFORE THE
LEGISLATIVE PROGRAM REVIEW AND INVESTIGATION COMMITTEE
REGARDING SCOPE OF STUDY – MEDICAID: IMPROPER PAYMENTS

June 29, 2012

Senator Fonfara, Representative Rowe, and members of the Legislative Program Review and Investigation Committee, my name is Deborah Hoyt and I am President and CEO of the Connecticut Association for Home Care & Hospice (CAHCH).

CAHCH is the united voice representing 63 member agencies that employ over 10,755 home health and hospice workers in Connecticut performing 5-million home health visits each year. Many of our agencies are mission-driven, nonprofits and have been serving Connecticut communities for nearly 100 years. Their trained nurses and aides enable chronically ill and disabled individuals to receive cost-effective healthcare in the comfort of their own homes – the setting that they, and their family members, prefer most.

The Connecticut Association for Home Care and Hospice **SUPPORTS** the Legislative Program Review and Investigation Committee's efforts to evaluate the processes the state uses to prevent, detect and recover improper payments in the Medicaid program due to fraud, abuse, and errors.

CAHCH and our member home health care agencies strongly support the weeding out of providers who intentionally divert Medicaid funds for their own personal gain as long as it doesn't unduly place burden on the overwhelming majority of providers who comply consistently and accurately with Medicaid processes and procedures.

We believe it is our responsibility as an industry to help protect patients at all costs; similarly it is our collective duty to protect the integrity of public programs like Medicaid which cover hundreds of thousands of our clients.

CAHCH has continuously advocated for program integrity initiatives including supporting the screening of home health agencies that seek to participate in the federal Medicare program; and supporting background checks for those who own or manage home health agencies and those who work in patient's homes.

We do have concerns, however, in terms of the broad-brush approach recently used at the federal level to identify Medicare fraud. We respectfully caution the Committee that the use of the "presumed guilty until proven innocent" approach would be detrimental if used here in Connecticut.

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According to a report dated June 14, 2012 by the federal Government Accounting Office (GAO), private contractors received \$102 million to review Medicaid fraud data in 2008 yet only found about \$20 million in overpayments. The process resulted in the loss of \$80 million dollars to the federal government and more importantly missed an opportunity to collaborate with providers to promote compliance and best practices for Medicare participation.

Fully-compliant providers can easily get caught in a broad-brush sweep, requiring the provider to divert precious staff time and limited financial resources away from patient care to defend their hard-earned reimbursement and reputation. The current regulatory burden of both state and federal regulations and DSS audits on Connecticut home health providers is significant and four longstanding non-profit Visiting Nurse Agencies merged or closed in the past 12 months due to financial struggles.

We urge the Committee to consider the cost not only to the providers when new procedures are developed, but the patient or client. While the home health industry fully supports program integrity for Medicaid, unintended consequences include less focus on patient care and reduce access.

I would like to thank the committee for considering the provider perspective and offer CAHCH as a resource to you as your work progresses.

Thank you for your time and attention.