

Statement of Martin Sbriglio
Appropriations Committee
February 22, 2013
House Bill 6350

Sen. Harp, Rep. Walker and members of the committee:

My name is Martin Sbriglio. I am president and chief executive officer of Ryder's Health Management 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 63 years.

I would like to offer brief comments on proposals in the Department of Social Services' budget that are before you tonight for the upcoming two fiscal years.

Many of you know that the Medicaid rate we receive does not begin to cover the cost of care. Yet, each year we are asked to do more and more for our patients. Our fuel costs go up, our food costs go up, our utility costs go up and our employee health care costs go up. But our rates from the state are essentially frozen year after year. Something has to give.

- The budget proposal would stop an update of the rates that was mandated last year. This and an inflation cut would reduce funding by \$134 million.
- Adjustments to the provider tax were made with an assurance that some funds could stay in the nursing home. This budget breaks that agreement and cuts \$26 million.
- Altogether, if you adopt the reductions as proposed, it will translate into a 1.2 percent rate cut—again, at the same time our costs are going up.

The mandates the state places on us continue to increase. The funding we are given to care for our patients is reduced. This simply is not fair.

Ladies and gentlemen, the financial stability of our industry is at stake. More and more facilities are operating in the red. We're in a hole and this budget proposal would dig us deeper into it.

Thank you.