Visiting Nurse & HEALTH SERVICES OF CONNECTICUT, INC.

"Comfort of Home, Dedication to Care"

8 Keynote Drive, Vernon, CT 06066 • www.vnhsc.org • 860-872-9163
Business Fax: 860-872-3030 • Referral Fax: 860-872-2419

SUBMITTED TESTIMONY

By Todd D. Rose, President & CEO
Visiting Nurse & Health Services of Connecticut, Inc.
Vernon, CT

Aging Committee

February 25, 2014

IN SUPPORT OF:

HB 5222 - AN ACT CONCERNING A STUDY OF FUNDING AND SUPPORT FOR HOME AND COMMUNITY-BASED CARE FOR ELDERLY PERSONS AND PESONS WITH ALZHEIMER'S DISEASE

HB 5225 – AN ACT INCREASING ELIGIBILITY FOR THE CT HOME CARE PROGRAM FOR THE ELDERLY

HB 5227 – AN ACT CONCERING AGING

Good morning members of the Aging Committee. My name is Todd Rose, President & CEO of Visiting Nurse & Health Services of Connecticut, Inc.

Our home health care agency serves nearly 5,000 elderly, disabled and aging CT residents annually residing in north central Connecticut. We employ nearly 500 people and perform more than 175,000 home care visits each year. Our main office is in Vernon and we have a branch office in Enfield.

A viable and sustainable home health provider network is important in achieving the goals of the Aging Committee, the State's rebalancing targets, and the Affordable Care Act's triple aim of improved population health, improved patient experience and outcomes, and reduced cost of care.

Visiting Nurse & HEALTH SERVICES OF CONNECTICUT, INC.

"Comfort of Home, Dedication to Care"

8 Keynote Drive, Vernon, CT 06066 • www.vnhsc.org • 860-872-9163
Business Fax: 860-872-3030 • Referral Fax: 860-872-2419

I support three raised bills being heard today – HB 5222, HB 5225, and HB 5227 all of which pertain to increasing home and community based care and access for elderly persons and persons with Alzheimer's disease.

Home care is the cost-effective means for the State of CT to successfully manage this growing and medically complex population of residents. I believe that the CT Home Care Program for Elders (CHCPE) is an excellent model and it deserves to be expanded, however, I have significant concerns about its viability and sustainability moving forward.

In its present form, a team of community-based service organizations work closely to manage the client's care. This is the correct approach to care for the elderly and for those with Alzheimer's disease.

The problem with the current model is that the providers of the care (home care agencies, access agencies, meals on wheels, and others) are being reimbursed only a fraction of their cost to provide care to the client. Home care agencies like mine are only reimbursed 58 cents on the dollar of care provided. We lose money on each client that we serve under the state Medicaid program and the CT Home Care Program for Elders.

While I support the intent of the raised bills, the expansion of the CHCPE is not financially sustainable for my and dozens of other CT home care provider agencies.

Home healthcare agencies are a business. Although my agency is not-for-profit, we can't keep our doors open to serve the people who need our services unless we can pay our employees, cover our costs, and have the resources to constantly improve our technology and meet the ever-changing regulatory and audit requirements.

Our ability to survive as an employer and provider is at a crossroads as the State Medicaid program and CHCPE reimbursement rates have not increased since 2007. My agency is under our second wage freeze in three years and our current business model is unsustainable. The day is coming, and is coming soon, where we will no longer have the ability to service MFP or CT Program for Elders patients.

Visiting Nurse & HEALTH SERVICES OF CONNECTICUT, INC.

"Comfort of Home, Dedication to Care"

8 Keynote Drive, Vernon, CT 06066 • www.vnhsc.org • 860-872-9163
Business Fax: 860-872-3030 • Referral Fax: 860-872-2419

While your decision to expand these programs under these raised bills sounds logical. From the provider perspective, if provider reimbursement isn't addressed and increased accordingly with any future expansion, there will not be a provider network to care for these needy individuals.

Thank you very much.