



Written Testimony

Submitted by Ann M. Olson, President and CEO
Interim HealthCare of Hartford, Inc.

Submitted to the Aging Committee
March 4, 2014

IN SUPPORT OF: SB 244, AN ACT INCREASING HOME CARE PROVIDER RATES.

Thank you for the opportunity to address the honorable members of the Aging Committee. My name is Ann Olson and I am the President and CEO of the Interim HealthCare of Hartford, Inc.

Interim HealthCare of Hartford, Inc. is a For-Profit Home care agency that services all of Hartford County, and parts of Tolland and Middlesex Counties. We have a daily patient census of 1800 clients. We care for all ages, from newborns to the elderly, and offer several specialty programs to meet the unique needs in the community. These include Medical surgical, Pediatrics, Behavioral Health, Cardiac Care, Wound Care and Rehabilitation Services. Last year we provided 187,396 visits to this diverse client population that we serve.

For over 45 years, our mission has been and continues to be, to provide a broad range of reliable and high quality home care services to CT residents in accordance with the highest ethical standards. We employ close to 1000 health care workers, and provide high-tech and specialized in-person and telehealth services to clients in the comfort of their home. In the wake of health care reform, we are proud of our outstanding outcomes, demonstrating low rehospitalization rates and high patient satisfaction scores. Home care is proven to be the most cost effective means of delivering care. However, the current State Medicaid reimbursement rates are not adequate to continue to provide these critical home care services, amidst the regulatory and administrative burdens imposed on home care agencies in Connecticut.

As the Aging Committee considers SB244, including budgetary decision to address the future needs of our most vulnerable citizens, I urge you to weigh the value and cost savings that home and community-based care offers. Connecticut must invest in the survival and future of the providers that are enabling these significant savings to the Medicaid program.

Since our inception, we have serviced all clients regardless of their funding source. State Medicaid represents almost 47 % of company revenue. Flat Medicaid reimbursement to our agency since 2007 (7 years!), with increased payroll costs, regulatory burdens and audit scrutiny, has caused employment instability for our workforce and challenges to the



high quality care we provide. The current Medicaid reimbursement rate does not cover the cost to provide care under the Medicaid program. With a projected increase of eligible CT Medicaid clients, servicing a higher percentage of Medicaid clients at the current inadequate rates could put our agency at risk.

As a free standing agency, we are unable to be selective or impact referral patterns from large health care systems and hospitals. Our percentage of Medicare clients has been reduced in recent years, and the percentage of Medicaid has been on the rise. The percentage of Medicare clients that we currently do have does not offset the current underfunding by DSS for Medicaid clients. To compound this, as you are aware, with Medicare reimbursement cuts, totaling a 3.5% reduction each year from 2014 to 2017, the operating budget for home care agencies will be further challenged.

Interim HealthCare is one of many agencies in the State, who respectfully request to have improved Medicaid rates so that we can cover the cost of care for this needy population. We are privileged to care for some of Connecticut's most frail residents. With the support of Committee to increase Medicaid reimbursement rates, we hope to continue our mission and remain viable, so that we can meet the emerging opportunities for collaborative person centered care for Connecticut Medicaid residents.

Thank you for your attention to this matter.