

**TESTIMONY OF TED FARACI & CATHY FOLEY, OWNERS, GILMORE MANOR
IN OPPOSITION TO
Section 11 of HB 5052- AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS FOR HUMAN SERVICES PROGRAMS.**

Human Services Committee Public Hearing, February 20, 2014

Senator Slossberg, Representative Abercrombie and members of the Human Services Committee, we are Ted Faraci and Cathy Foley, members of the CT Association of Residential Care Homes and owners of Gilmore Manor, a 22 bed residential care home in Glastonbury, CT. We are here to testify **in opposition to Section 11 of House Bill 5052- An Act Implementing the Governor's Budget Recommendations for Human Services Programs.**

Section 11 of House Bill 5052 would eliminate most of Ct General Statutes § 17b-340(h)(1) which is the residential care home rate statute. This statute includes critical language for residential care homes.

The proposed bill would **remove the following language:**

1. The \$3.10 minimum fair rent granted beginning with the fiscal year ending 6/30/97.
2. The lower (85%) utilization threshold for homes with fewer than 25 beds granted beginning with the fiscal year ending 6/30/97.
3. The additional salary allowance specifically added for RCH administrators for the fiscal year ending 6/30/02.
4. The additional salary allowance specifically added for related parties employed by an RCH granted for the fiscal year ending 6/30/99.
5. The additional eight hours of weekly overtime allowed for related parties employed by an RCH granted for the fiscal year ending 6/30/01.

The removal of these protections would jeopardize the ability for many homes to continue to operate and burden an already underpaid industry. In the past few years, we have deferred improvements and maintenance to our facility, knowing we would not be reimbursed for such improvements. Yet we are still held to the same (or more rigid) standards of resident care and facility upkeep imposed by the Department of Public Health. It is an impossible situation.

The CT Association of Residential Care Homes includes over sixty of the states approximately one hundred homes. About sixty percent of the residential care home residents have behavioral health or mental health diagnoses and the remaining percentage are elderly. At Gilmore Manor, most of our resident population suffers from some form of psychiatric, behavioral and/or developmental disability. Some are also elderly, in addition to being disabled. It is unconscionable (if not hypocritical) that the State should propose changes that will result in poorer services for this fragile population, especially when the Governor has pledged millions in funding towards other mental health programs. He may want to consider what will happen to displaced adult and elderly psychiatric patients, when residential care homes are forced out of business, as they most certainly will be if this legislation is passed.

After years of being flat funded (our rate at Gilmore Manor has remained the same for the past 4 years, at approx. \$75 per day), residential care homes face a critical breaking point. We provide a vital service to the community by taking care of an ostracized population of psychiatric patients. They are being discriminated against by this legislation, because it will ultimately effect the quality of care they receive. We provide 24/7 care for them, manage their medications, ensure they receive appropriate medical and psychiatric care, provide all meals, laundry and housekeeping services. This is no small feat at \$75 per day.

In effect, we keep our residents stable. It is a good thing for them, as well as the community. We must remain diligent in our commitment to the proper care and treatment of our psychiatric population. This includes increased funding for residential care homes. The risks to our community are too great to do otherwise.

Last year, there was a small increase in rates to some residential care homes. Because it was only a partial increase only some homes received the increase. These included many homes that had previously spent significant amounts of money on repairs and other expenses. This small increase enabled reimbursement for some of these costs. The Governor's budget bill could lead to a decrease in funding for these homes and others who have not been able to make such investments.

We ask that you please uncap residential care home rates and not move forward with the proposed language in Section 11 of House Bill 5052. Many homes are already at a breaking point. Increased costs in gas, insurance and food expenses accompanied by capped rates have made operating homes very difficult. Without these homes serving this vulnerable population, the state would be spending significantly more dollars providing care for these individuals. Residential care homes are critical to many of these people who often live in the home for 20 years or more.

We thank you for the opportunity to speak today and would be happy to answer any questions.

Ted Faraci & Cathy Foley
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