LeadingAge Connecticut

Testimony to the Human Services Committee

Submitted by Mag Morelli, President of LeadingAge Connecticut

March 6, 2014

Regarding

- **HB 5441, Direct Payment of Residential Care Facilities**
- **SB 323, Capital Expenditures at Residential Care Homes**

LeadingAge Connecticut is a statewide membership organization representing over 130 mission-driven and not-for-profit provider organizations serving older adults across the continuum of long term care, services and supports and including not-for-profit residential care homes. On behalf of LeadingAge Connecticut, I would like to submit testimony on the following bills and offer the Committee our assistance as you consider these issues.

HB 5441, Direct Payment of Residential Care Facilities

LeadingAge Connecticut supports this bill which would allow the Department of Social Services (DSS) to make direct payments, under the Aid to the Aged, Blind and Disabled (AABD) / State Supplement program to the residential care home (RCH). Presently, AABD payments for RCH services are issued to recipients and homes regularly experience instances, particularly in the first month of stay, when residents do not apply their benefits to the cost of care. The proposed change assures that state funds are directed as intended under the AABD program. It will also save additional time and financial hardship for the residential care home providers who at times need to expend extensive resources in order to collect the requirement payment.

We would ask that the Committee modify Section 3 of HB 5441 which would unfairly penalize residential care homes for any delay no matter what the reason. The proposed section leaves no room for flexibility even in cases of hardship on the part of the home. The proposed language does not provide the Commissioner latitude and could punitively impact residential care homes that made best efforts to complete their cost reports.

SB 323, Capital Expenditures at Residential Care Homes

LeadingAge Connecticut supports Senate Bill 323 which would allow homes to receive reimbursement adjustments for capital expenditures, such as roof replacements and heating/air conditioning upgrades, over five or fewer years. We believe that adoption of the minor reimbursement change proposed under this bill will assist many residential care homes, and particularly the smaller homes, that provide needed and cost-effective services to elderly and disabled individuals and which are in need of smaller capital improvements.

Thank you for this opportunity to submit this testimony.

Mag Morelli, President

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