

Testimony of Peter C. MacKay

The Roseland Management Group, LLC.

In support of SB 323 with changes to An act Concerning Capital Expenditures at Residential Care Homes and in support with changes of HB 5441 An act concerning Direct payment of Residential Care Facilities

Senator Slossberg, Representative Abercrombie and Members of the Human Services Committee, my name is Peter C. MacKay, I am the Treasurer of The Connecticut Association of Residential Care Home Owners which represents 70% of the RCH's in Connecticut. I am also the Administrator and owner of The Roseland in Brooklyn, Ct.

I am in support of SB 323 with the following changes;

I would rather see language that addresses WHERE the monies come from. If an expense is paid for with a loan, it should be capitalized over the life of the loan. If a home lays out cash for something, then why can't the State speed up the repayment or pay us interest on our loan to the State? I don't feel it is appropriate that a private entity should have to give the State a free loan of our personal assets to do repairs on a building that is actually the State's responsibility. Considering the State has no issue with paying the interest on a bank loan, maybe the State can pay us interest on the money we lay out for them. So, if we are required to dump thousands of dollars of OUR own money to address mandates and regulations developed by the State, why shouldn't the State pay us at least for the money we are losing because we cannot use those funds elsewhere? The present system has the State making unfunded mandates on our facilities which we are required by law to implement, sometimes costing us thousands of dollars and then we have to fight with DSS to have our interest free loan to the State repaid in our rates, completely at their discretion.

I am in support of HB 5441 with the following changes;

The resident's rent checks HAVE to be made out and sent to the home. These funds are instrumental in the smooth operation of the facility. We are continuously chasing resident that have moved out to the community. The State pays their portion of the rent 30 days in arrears. Thus, when a resident moves out, the State sends our last rent check to a Resident that no longer lives at the facility. We have to chase this person down and hope that they give it to us. They can and have in the past declined and we are told by DSS that it is between us and the Resident and the State will not help in this situation.

Under the section for late cost reports, I understand the need of DSS to be able to hold someone's feet to the fire and get our reports in on time. I am concerned that the regulation has no room for flexibility. I quote;

*"If a licensed residential care home fails to submit a complete and accurate report within thirty days from the date of notice, such home shall not receive a retroactive rate increase."*

This in essence is a penalty for not filing in a timely manner and I am agreeable to it, but it leaves no room for a legitimate issue that might face a facility. A majority of the homes are small family run facilities and there are instances that could make it very difficult if not impossible to get a report done on time. A death in the family, a fire at the facility, or something as simple as a crashed computer or an issue at the accountant's office that is beyond our control could easily keep the report from being done on time. If there is no back door to this regulation, and you had one of these types of issues, this regulation and the loss of funds associated, might just be the thing that pushes your facility over the edge and into the abyss.

I think some language that allows this regulation to be implemented at the discretion of the Commissioner, with the ability of the facility to contest his decision would be would be appropriate.

Thank You, for taking the time to hear my concerns.

Sincerely,

Peter C. MacKay

The Roseland Management Group, LLC.