



CONNECTICUT ASSOCIATION FOR  
**HEALTHCARE AT HOME**

WRITTEN TESTIMONY

Delivered by Deborah R. Hoyt, President and CEO  
The Connecticut Association for Healthcare at Home

Committee on Labor and Public Employees  
Public Hearing regarding the Adjustment of the Minimum Wage

**S.B. 32, An Act Concerning Working Families' Wages**

**February 18, 2014**

Honorable members of the Committee on Labor and Public Employees, my name is Deborah Hoyt, and I am President and CEO of the Connecticut Association for Healthcare at Home.

The Association represents 60 licensed and certified home health and hospice agencies that perform 5-million home health and community-based visits each year.

Combined, our member provider agencies employ a Connecticut workforce of **17,000 employees** including home health aides and skilled nurses who make approximately **14,000 home health visits each day** to Connecticut's frail, elderly, and most vulnerable residents.

**The Association acknowledges the Governor's interest in raising the State minimum wage to align with federal initiatives; however, we have significant concerns that the proposed increase will create a serious financial challenge for home health agencies and lead to agency closures and future access issues.**

A large percentage of our workers currently earn just over the minimum wage. Increasing the minimum within the timeframe and at the level proposed (to \$10.10) would not only require our agencies to increase wages for a large segment of our workforce, but for the employees that currently earn \$10 - \$12 per hour (the home health aides).

**While we support and desire for our employees to earn a livable wage, we can only pay them based upon the revenue earned by providing client services.**

**As approximately half of Connecticut home health agency revenue comes from serving the Medicaid population, our hands are tied in terms of raising employees wages. Our CT Medicaid reimbursement rate has not increased in 9 years and only pays .58 - .60 percent of the cost of services rendered. We**



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**cannot afford, under the state's current Medicaid reimbursement structure, to increase our workers' salary without cutting back on services.**

As providers that offer cost-effective care to enable Medicaid clients to live at home instead of being placed in a more costly institutionalized setting, we save the state of Connecticut millions of dollars in Medicaid provider reimbursement as well as maintaining the quality of life for the client and preventing unnecessary and costly rehospitalizations.

The increase of minimum wage requirements to more than \$10 per hour will place an insurmountable burden on Connecticut's home health and hospice agencies.

The Association and its members are completely committed to and supportive of each employee receiving a living wage and strengthening Connecticut's economy, but feel that there is a dire need to reexamine the reimbursement structure of both the Medicare and Medicaid programs before this change comes to pass.

If you have questions or require additional background, I would be happy to provide it to you.

Thank you.