

TESTIMONY OF ELAINE COLE, OWNER AND DIRECTOR OF  
MYSTIC RIVER RESIDENTIAL CARE  
IN OPPOSITION TO  
Section 11 of HB 5052-AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET  
RECOMMENDATIONS FOR HUMAN SERVICE PROGRAMS.

Human Services Committee Public Hearing, February 20, 2014

Senator Slossberg, Representative Abercrombie and members of the Human Services Committee, my name is Elaine Cole, past president of the Ct. Assn. of Residential Care Homes and owner of Mystic River Residential Care in Mystic, CT. My written testimony in opposition to Section 11 of House Bill 5052 – An Act Implementing the Governor's Budget Recommendation 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, which has already been identified.

Residential Care Homes are in a delicate financial balance and fair rent has historically been a needed security and grounding for us. It is modest but it is something that needs to be protected and in fact increased. Removing needed protections strains an already stressed industry.

In my case, all available monies have been invested in my Home and additionally I have had to take out a line of credit on my personal residence in order to meet requirements of the Department of Public Health and Addiction Services. There is literally nothing left and it is a very unwise move to financially threaten Homes that accomplish so much for the State.

My Home is for individuals with a primary diagnosis of mental illness and in this environment they are stable, and as independent and productive as possible. Without my home, my residents would be homeless, without medical oversight, experience a shortened life span, and return to drugs, alcohol and some would end up in jail. All of these aforementioned situations are much more expensive for the State of CT.

My rate has been substantially reduced in the last few years and not through my fault on my part or that of my accountant. Nevertheless we provide excellent care and residents "feel" at home. Beside the insurance, food, utilities, taxes that increase on a yearly basis I am obligated to keep up with repairs to my facility that is very tough with everything else going up. Somewhere you have to cut to make ends meet. This year has been extremely difficult with snow removal bills. We are hearing that electric bills in this state are going up drastically, how will we be able to pay those bills? Employees' wages have been frozen for years. It is disheartening to hire and train a good employee and then have them leave after years because they have not been given a pay increase. The employees are the heart and soul of my facility and they are crucial to keep a good balance.

In summary I am strongly opposed to the proposed language in Section 11 of House Bill 5052 and ask that residential care rates be uncapped. Our costs are in the neighborhood of \$30,000 annually in sharp contrast to nursing homes which are about \$100,000 annually. We serve a frail and vulnerable population and we deserve the financial support of the State of Connecticut.

Thank you for the opportunity of presenting my views.