

the details of related party transactions, a facility may be portrayed as losing money when in fact a related party which is the recipient of advantageous transactions may be prospering. DSS needs to know the full financial picture to determine whether facilities are financially sound, and if not, why not.

In addition to having an effect on accurate and fair rate setting, the true financial status of a nursing home is of paramount importance when a nursing home seeks a Certificate of Need to terminate services. In my practice, I have seen how the closure of a facility – or even the threat of a closure -- can have a great impact on its residents, especially for the frail elderly and disabled individuals who may have lived there for many years. The trauma of transferring to a new home can cause serious medical as well as psychological problems for these residents and their family members. It is critical that DSS have full information about the financial status of a facility, so that it can make a truly informed decision about whether closure due to financial distress is warranted. This legislation will help DSS to do that.

This bill protects both vulnerable nursing home residents and the State of Connecticut, which pays large amounts each year for the care of these residents through the Medicaid program. I urge you to support it.

Thank you for your attention to this legislation and my testimony.

Respectfully submitted,

Jean Mills Aranha