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February 20, 2014

*Written testimony of Russell Schwartz, VP/Director of Operations,
Avon Health Center & West Hartford Health & Rehabilitation Center
Concerning:*

**S.B. No. 104 (RAISED) AN ACT PROVIDING FINANCIAL RELIEF TO
NURSING HOMES FOR UNCOMPENSATED CARE.**

Good afternoon Senator Slossberg, Representative Abercrombie and to the members of the Human Services Committee. My name is Russell Schwartz. I am Director of Operations for Avon Health Center, in Avon, CT and West Hartford Health & Rehabilitation Center in West Hartford, CT. Our family owned facilities are longstanding providers of rehabilitation and nursing care in the towns of Avon and West Hartford. Combined our buildings have 280 beds, and more than 400 employees. Both facilities are Medicare 5-star rated, and have been recognized by the American Health Care Association's Quality Initiative Recognition Program. I am here this afternoon to ask the Human Services Committee to ask for your support for S.B. No. 104 (RAISED) AN ACT PROVIDING FINANCIAL RELIEF TO NURSING HOMES FOR UNCOMPENSATED CARE. **This bill is being advanced by the Connecticut Association of Health Care Facilities (CAHCF), of which our organizations are a member.**

This legislation is badly needed to address the persistent and worsening problem of excessive delays in the long term care Medicaid eligibility determination process at the Connecticut Department of Social Services (DSS) for skilled nursing facilities. Connecticut skilled nursing facilities and their residents are harmed by excessive delays in the eligibility determination process. As Medicaid applicants residing in nursing facilities await final disposition of their requests for State help, Connecticut nursing homes are simultaneously providing uncompensated care for periods of time often exceeding federal standard of promptness rules. This bill addresses this situation by requiring advanced payments for the money owed by the state. The bill also addresses the fundamental unfairness of requiring nursing facilities to pay provider taxes, penalties, interest and fees for care provided to Medicaid applicants and recipients, when no payment is being received from Medicaid for providing care due to excessive delays.

Our nursing homes are harmed by these excessive Medicaid eligibility and payment delays. Currently our 2 facilities have a total of \$3.3 million in Medicaid accounts receivable. At one facility the Medicaid accounts receivable \$2.6 million, or 90 days old. Until recently we had cases at each facility that were pending for close to 2 years. In addition, we are experiencing difficulties with Medicaid redeterminations not being processed timely, causing residents'

Medicaid coverage to be dropped. This results in an increased accounts receivable problem, on top of growing pending cases, which negatively affects facility cash flow. Delays in processing applications and paying claims is made worse for us, as we are still required to pay the quarterly provider tax payments, on revenue our facilities have not received.

CAHCF applauds and encourages the DSS efforts to modernize its eligibility systems and for their commitment to hire badly-needed eligibility staff to address delays across the entire public and medical assistance spectrum. However, the state's initiatives are not yet providing relief, and we are concerned the situation may continue to worsen. Please pass this bill. Our nursing home needs your help.

I would be happy to answer any questions you may have.