

CONNECTICUT ASSOCIATION FOR
HEALTHCARE AT HOME™

TESTIMONY

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

Aging Committee Public Hearing

February 10, 2015

IN SUPPORT: S.B. 286 AN ACT EXPANDING AGING IN PLACE INITIATIVES

Good morning Senator Flexer, Representative Serra, and members of the Aging Committee. My name is Deborah Hoyt, President and CEO of the Connecticut Association for Healthcare at Home.

The Association represents 62 licensed home health and hospice agencies that foster cost-effective, person-centered healthcare for the Connecticut's Medicaid population in the setting they prefer most – their own homes.

Connecticut home health agencies are major employers with a growing workforce and an “on-the-ground army” of approximately 17,500 employees. We ensure that chronic conditions of the Medicaid frail elderly, disabled, and homebound are managed and their healthcare is coordinated across the provider continuum.

The Association and our member agencies collaborate closely with the Department of Social Services (DSS) and are the solution to achieving the State's Long Term Care goals of Aging in Place and rebalancing through the Money Follows the Person (MFP) Program.

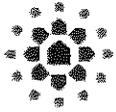
We fully SUPPORT S.B. 286 AN ACT EXPANDING AGING IN PLACE INITIATIVES.

Medicaid home health care provided through the state's licensed agencies *is* the cost effective means of delivering care and achieving significant cost savings to the state's annual budget.

An analysis of DSS's own data proves it.

Based on the CT Home Care Program for Elders Annual Report to the Legislature for State Fiscal years 2009-2013:

- ✓ **DSS reported a savings of \$533.5 million** in Medicaid savings directly attributable to the utilization of home and community based services. These



savings in Medicaid do not include additional savings achieved by behavioral home health managed under Value Options

- ✓ **Cost cutting measures and belt tightening by home care agencies resulted in a decrease in DSS monthly home health expenditures.** Over the 5-year period, the monthly DSS expenditure for home health services in the CT Home Care Program for Elders decreased by over 30%.
- ✓ In state Fiscal Years 2009 – 2013, **the Department of Social Service’s Medicaid expense per client per month was reduced** under the Elders program from \$474 per month to \$362 per month - an overall DSS budget savings of 23.2% over 5 years (\$83.9 million to \$64.5 million).
- ✓ Additionally, **overall DSS payments to home health agencies declined significantly at the same time the provider’s caseload increased** by 5%, meaning home care agencies are working harder, yet more cost-efficiently (17,788 to 18,670).

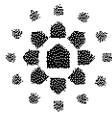
Based on the DSS Long Term Care Demand Projections Databook (August 2014):

- ✓ DSS is projecting that number individuals over 65 who are Medicaid **eligible for home and community based services will increase by close to 3,000 (2,985) from where we were in 2013.... an increase of over 23%.**
- ✓ DSS has projected that HCBS providers will need to **add close to 500 Home Health Aides and over 400 PCAs in order to meet the demand of new participants, the increase in elderly residents and those wanting to return to the community from SNFs. That is a major workforce increase for 2015.** In order to meet this demand we need a stable infrastructure

The value and return on investment of Connecticut’s licensed home health agencies to DSS, the Medicaid program, and to the State budget is unparalleled. We’re on track to save DSS more than a \$100 million again this year under the Home and Community Based Services Waiver program alone. Expanding Aging in Place initiatives will continue to reap these significant cost savings to the state.

However, to ensure that Connecticut citizens receive safe and appropriate home health services, the legislature needs to support the licensed home health agency infrastructure. We are a ready, willing and able workforce with the experience necessary to meet the demands of Connecticut’s growing aging demographic.

According to a 2010 study by the University of Connecticut, investing in a system that supports the delivery of home health care will ensure Connecticut’s fiscal health as well as the overall sustainability of the safety net.



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As the state of Connecticut continues to rebalance Medicaid from institutionalized care to home and community settings, increasing the number of residents receiving health care at home and “aging in place” will produce a positive cost-benefit for the state budget.

Thank you for raising this bill and for the opportunity to provide testimony. I look forward to meeting with you to discuss creative solutions to supporting the financial viability of the home health safety net.

Thank you.

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