



TESTIMONY

Delivered by Tracy Wodatch, VP of Clinical and Regulatory Services
The Connecticut Association for Healthcare at Home

**Appropriations SubCommittee on Health
Public Hearing
March 6, 2015**

**PUBLIC HEARING REGARDING THE GOVERNOR'S BUDGET RECOMMENDATIONS before the
Appropriations SubCommittee on Health**

OPPOSING:

- **OPPOSE: Reduce Medicaid Provider Rates** (\$107.5-million in FY2016 and \$117.5 million in FY2017)
- **OPPOSE: Reduce Medicaid Rates to Mental Health/Psychiatric Home Health Care** (\$20-million in each year of the biennium)

Good evening Senator Gerrantana, Representative Dillon and honorable members of the Appropriations SubCommittee on Health. My name is Tracy Wodatch, Vice President of Clinical and Regulatory Services at the Connecticut Association for Healthcare at Home. I am also an RN with over 30 years experience in home health, hospice, long term and acute care.

The Association is the united voice for 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.

I'm here today to testify specifically to the proposed budget cuts to achieve Medication Administration savings and broader cuts to the Medicaid rates.

We are a cost-saving solution for the Department of Social Services (DSS) and a critical component to:

- The success of the state's purposeful rebalancing initiative to transition 5200 individuals out of nursing homes into the community by 2016.
- The management of the state's more than 6,000 mental health and psychiatric patients that were transferred out of mental health hospitals over a decade ago and are living in Connecticut communities
- The maintenance of more than 500 medically fragile children at home with their families avoiding long term care in hospitals such as CCMC and Hospital for Special Care.
- The reduction of hospitalization and emergency room visit rates through the use of high tech interventions such as Telemonitoring and Chronic Disease management.

The Governor's budget, as proposed, will undermine the progress the state has made in rebalancing Medicaid from institutions to the home and will hinder access to care as providers will not be able to continue to care for those being served using Medicaid dollars.

Here are some bulleted areas where Home and Community-Based providers have proven their value:

- Home and community-based providers have saved the state \$533.5M over the past 5 years through the state's conscious decision to rebalance individuals from institutional settings to home and community-based long term services and supports.
- Home Care is the only provider sector that saves the state Medicaid dollars (see attached power point slides from DSS highlighting overall Medicaid Healthcare spending and number of Medicaid clients served comparing CY 2012 to 2013).
 - In one year alone (CY '12 to CY'13), state Medicaid paid Home Health providers \$735,634 (nearly three-quarters of a million) less while the Home Health providers cared for nearly a thousand (925) more Medicaid clients.
- Here are some key Medicaid savings achieved by providing skilled home health care through our licensed home health care agencies
 - Behavioral health nurses maintain more than 6000 Medicaid clients with significant psychiatric illnesses in the community rather than more costly institutional settings or in the community with no supports.
 - Value Options (our state ASO) works closely with the behavioral health providers to promote the recovery model with goals of independence—this has resulted in a significant decrease in cost per client and an approximate savings of \$26million over the past 2.5 years.
 - The average visit utilization per client has decreased between 18-22% across a majority of the larger providers of this service
 - Pediatric nurses, many with years of neonatal ICU experience, maintain more than 500 medically fragile children in the community with their families rather than in specialty long term hospitals: These children are on respirators with breathing tubes and feeding tubes and many are restricted to wheelchairs.
 - 90% of the 500 are managed by 3 agencies. If you reduce funding in this area, these agencies will not be able to continue to maintain this fragile population in the community which will significantly increase costs to the state.
 - Telemonitoring used in conjunction with highly trained cardiac nurses is proven to reduce hospitalization and emergency room visit rates



- A recent study in 2013 by Hartford Healthcare at Home (one of the largest home health providers of Telemonitoring services in CT) showed a mere 13% hospital readmission rate for heart failure patients on telemonitoring and close care coordination by a cardiac nurse. This 13% compares to 24% nationally for the same type patient.
- Please consider a Medicaid reimbursement rate for TM in home health as it saves dollars by promoting disease management using a proactive approach vs a reactive one through emergency room visits or hospital readmissions.
- Chronic disease management nurses are teaching patients in the community to better manage their own costly chronic diseases (heart failure, diabetes, COPD, depression) helping to reduce costs of unstable exacerbations and hospitalizations.

To put our value in perspective, the reason I keep stating ‘in the community’ is because maintaining the current population in the community and managing the projected growth of demographics moving into the community is the most cost-effective use of Medicaid dollars. If we saved the state \$533.5 million dollars over the last 5 years, that savings will disappear if you cut the rates to home and community-based providers. We have proven that we are here to help the state succeed in its focused decision to rebalance and offer person-centered choice in the community. With a cut, our providers will cease serving the Medicaid population. Please continue to invest in home and community-based services which, in turn, will save the state millions.

Thank you and I’d be happy to answer any questions.