

paradigm  
healthcare center  
of prospect

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February 5, 2015

Written testimony of Joel Carmichael Administrator of Paradigm Healthcare Center of Prospect.  
Concerning:

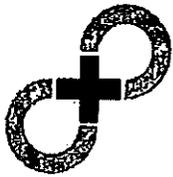
**\*Proposed H.B. No. 5586 AN ACT INCREASING NURSING FACILITY RATES.**  
<http://www.cga.ct.gov/2015/TOB/H/2015HB-05586-R00-HB.htm>

**\*Proposed H.B. No. 5812 AN ACT CONCERNING A COST OF LIVING INCREASE FOR NURSING FACILITIES.** <http://www.cga.ct.gov/2015/TOB/H/2015HB-05812-R00-HB.htm>

**\*Proposed S.B. No. 231 AN ACT CONCERNING COST-OF-LIVING INCREASES FOR NURSING HOMES.** <http://www.cga.ct.gov/2015/TOB/S/2015SB-00231-R00-SB.htm>

Good evening Senator Moore, Representative Abercromble and to the members of the Human Services Committee. My name is Joel Carmichael, I am the administrator Paradigm Healthcare Center of Prospect located at 25 Royal Crest Drive, Prospect, CT. Paradigm Healthcare Center of Prospect is a longstanding provider of nursing care in the communities of Prospect, Naugatuck, Beacon Falls, Cheshire and Waterbury. Paradigm of Prospect is a 120 bed facility, which employs 191 employees who live, work and raise their families in our communities that we directly serve. We have built and have tried to sustain a much needed commitment to our community. As an example of our well needed relationship, we work closely with the Prospect Fire Department. Our facility is the largest structure in town along with being one of the heaviest populated buildings. We consistently open our doors so that the fire department can do their annual training here. We have also developed deep roots at our local senior center and help offer services and education that the town would not otherwise be able to afford.

We are extremely proud of the work we do here and the service we offer to our communities. This facility is a 5 star rated facility based on the CMS 5 star guide lines, 5 stars is reserved for the top 10% of all nursing facilities in the state. Needless to say, we are extremely proud of this sustained achievement. We are also the recipient of the step one American Health Care Quality award. This facility, along with its leadership, takes its commitment to our facility and our community seriously, through my professional organization, The American College of Healthcare Administrators, (ACHCA). I have become



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a Certified Nursing Home Administrator, as well as Fellow in the ACHCA which the highest achievement offered by the ACHCA. All of these accolades for our facility directly benefit our residents communities in well needed care and services.

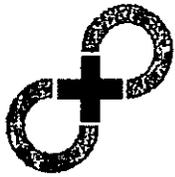
I want to publicly thank the state legislators who introduced these badly needed bills---House Republican Leader Klarides, and Representatives Perillo and Gentile, and State Senator Crisco. And thank you also to the Human Services Committee for including these bills at this public hearing.

The bills all get to the same issue. Medicaid Nursing facility rates have been basically flat since 2007, but costs have been dramatically rising. Preliminary findings indicate that, with respect to the uncontrollable annual cost increases, the typical 120-bed nursing facility would incur approximately \$89,500 (see table below). This amount represents approximately \$2.15 for every day of care rendered to Medicaid recipients.

Electricity rates	\$	17,000
Natural gas rates	\$	12,000
FUTA credit reduction	\$	16,000
Affordable Care Act	\$	39,000
Encryption software	\$	500
Background checks	\$	5,000
<b>Total</b>	<b>\$</b>	<b>89,500</b>

The bills recognize that you just can't work over time and provide quality care without increasing rates, by an annual cost of living adjustment or through a formula that increases rates based on the nursing facilities costs. I invite any member here to come visit Paradigm Healthcare Center of Prospect, Come talk to our staff, our residents and our families you will leave with a new appreciation of why we are so needed in our communities.

My message is simple, our residents, our staff, our families and our communities need your help. We just can't continue on a path where no help is provided without strapping our employees and jeopardizing quality and jeopardizing the role we play in our community. .



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Here are some examples of what we are up against in our nursing facility while the rates have been stagnant:

- Insufficient staffing to care for the complex needs of our residents and or facilities forced to lay off staff in order to survive.
- Reducing services and activities that we offer to our residents.

I am asking you to advance these bills and provide our nursing facilities the help they need to care for our residents.

Thank you for your time and consideration.



Joel Carmichael

Administrator

Paradigm Healthcare Center of prospect