



While we are greatly appreciative of the 1% adjustment at a time when other agencies are being cut, it isn't enough. One percent translates into an increase of a modest .24 cents for a home health aide visit and .94 cents for a skilled nurse. Incremental adjustments in years when the state budget can squeeze out is not a holistic or viable option to meet the state's growing need for home based care.

The Association commends Representative Cook and this Committee for seeing the need for a study of Medicaid home health reimbursement rates. The Association and our provider members are looking forward to meeting with you and serving as resources in any way.

Background Data:

An Analysis of DSS Annual CT Home Care Program for Elders Report

Correlation of Caseload to HHA Payments

- ✓ Based on the DSS CHCPE program data we can conclude that, from SFY 2009 thru SFY 2013, while the average number of recipients remained fairly stable with slight fluctuations, the overall payments for HHA services declined significantly. In the cumulative 5 year period, the caseload rose by 5%, (17,788 to 18,670) while the payments to HHAs dropped by 23.2% (\$83.9 million to \$64.5 million).
- ✓ For Title XIX clients the average monthly state expenditures on HHA services dropped by 26% in the 5 year period; for state funded clients the average monthly state expenditures on HHA services dropped by 36%. (Since the only payments for the 1915i clients were made in SFY 2013 there is no comparison information.)
- ✓ The reverse correlation with clients served increasing and payments to HHAs decreasing in the 5 year period substantiates that the HHAs have consciously tightened their belts and increased their effectiveness and efficiency.
- ✓

Correlation of Year to Year Savings Increases to Year to Year HHA Payment Decreases

- ✓ For the 5 year period the DSS published savings amounted to \$533.5 million.
- ✓ For the 5 year period the cumulative year to year changes amounted to additional savings of \$5.9 million.
- ✓ For the 5 year period the cumulative year to year decreases in payments to HHAs amounted to \$19.4 million.
- ✓ Since all other payments trended upwards for the 5 year period (Year to year increases screening +\$806k; Waiver Services +\$54.6 million) totaling an additional \$55.4 million it is logical to conclude that the additional savings is the result of the reduction in HHA payments.



Correlation of 5 Year Aggregated Savings Increases (From 2009) to
Aggregated HHA Payment Decreases (From 2009)

- ✓ For the 5 year period the increase in savings over the SFY 2009 level amounted to an additional \$37.4 million.
- ✓ For the 5 year period the decrease in payments to HHAs under the SFY 2009 level amounted to a reduction of \$46.5 million.
- ✓ It would be logical to conclude that the additional savings is attributable to the reduction in payments to the HHAs.

HHA Average Monthly Payment Trends

Title XIX

- ✓ Every year during the 5 year period the average monthly reimbursement of HHA services to Title XIX recipients decreased. With annual reductions ranging from a high of 9.3% to a low of 6.5%.
- ✓ The overall reduction of the average monthly from 2009 to 2013 was 36.5% (from \$621 to \$455).

State Funded

- ✓ Every year during the 5 year period the average monthly reimbursement of HHA services to State Funded recipients decreased. With annual reductions ranging from a high of 37.9% to a low of .01%.
- ✓ The overall reduction of the average monthly from 2009 to 2013 was 58% (from \$215 to \$136).

Aggregate

- ✓ Every year during the 5 year period the average monthly reimbursement of HHA services to the combined State Funded and Title XIX recipients decreased. With annual reductions ranging from a high of 7.5% to a low of 6.5%.
- ✓ The overall reduction of the average monthly from 2009 to 2013 was 30.1% (from \$474 to \$362).



Analysis of Long Term Care Demand Projections Databook

Individuals 65 or Older

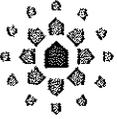
- ✓ The DSS LTC Databook includes projections on the increases/decreases in the state population by various age cohorts. It concludes that there were 506,559 individuals in the state in 2010 that were 65 or older.
- ✓ They are projecting that in 2015 there will be 582,352 individuals in the state 65 or older. This is an increase of 75,793 or 14.9%.
- ✓ They are projecting that in 2020 there will be 671,041 individuals in the state 65 or older. This is an increase of another 88,689 or 15.2% more than 2015.

HCBS Patients 65 or Older

- ✓ The DSS LTC Databook includes projections on the increases/decreases in the recipients in need of HCBS by various age cohorts. It concludes that there were 12,563 individuals in the state in 2013 who were 65 or older who were in need of and qualified for HCBS.
- ✓ They are projecting that in 2015 there will be 15,548 individuals in the state 65 or older who will be in need of and qualify for HCBS. This is an increase of 2,985 or 23.7%.
- ✓ They are projecting that with DSS efforts to assist individuals who wish to remain in their communities in 2020 there will be 20,097 individuals in the state 65 or older in need of and qualify for HCBS. This is an increase of 4,549 or 29.2% more than 2015.

Projected HCBS Workforce Shortages

- ✓ The Databook includes projections on the need for workers to meet the future increased demand.
- ✓ For 2015 they are projecting that there will be a need for 925 additional HCBS workers over the 2013 level, including 487 HHA direct care workers such as CNAs.
- ✓ For 2020 they are projecting that there will be a need for an additional 1,832 HCBS workers over the 2015 level, including 1,225 HHA direct care workers such as CNAs.



CT Medicaid Cost Savings Achieved Through Use of Home Healthcare Providers

Source: CT Home Care program for Elders Annual Report to the Legislature for State FY 2009-2013

