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Written testimony of Matthew V. Barrett, Executive Vice President of the Connecticut Association of Health Care Facilities (CAHCF), Inc. in Support of H.B. No. 6674 (RAISED) AN ACT PROVIDING FINANCIAL RELIEF TO NURSING HOMES FOR UNCOMPENSATED CARE.

Good afternoon Senator Moore, Representative Abercrombie and to the members of the Human Services Committee. My name is Matthew V. Barrett, Executive Vice President of the Connecticut Association of Health Care Facilities (CAHCF), our state's one hundred and sixty (160) member trade association of skilled nursing facilities and rehabilitation centers. Thank you for this opportunity to offer testimony this afternoon in support of H.B. No. 6674 (RAISED) AN ACT PROVIDING FINANCIAL RELIEF TO NURSING HOMES FOR UNCOMPENSATED CARE.

The bill addresses the basic unfairness of requiring our nursing homes to pay the state Medicaid provider tax when the nursing homes are waiting excessive periods to be paid by the state Medicaid program. Last session, as much as $58 million was estimated to be owed to Connecticut nursing homes in delayed Medicaid eligibility determinations and payments. At once, the nursing homes still have pay a $21 per resident per day provider tax on these very same unreimbursed Medicaid beds days.

H.B. 6674 represents a straightforward and fair policy that says nursing homes should be responsible for paying their Medicaid provider taxes only when they are paid by Medicaid for the same Medicaid service days.

It is very important to note that Connecticut nursing homes will remain liable for paying all the owed provider taxes, but the due date will be upon getting paid by Medicaid for the services provided. Any revenue implications would represent a fraction of what the state owes Connecticut nursing homes. There will be no change in the amount of taxes received for the Connecticut state budget in the H.B. 6674----the only revenue issue is that of the timing of the tax payment.

The nursing home provider tax generates $149.6 million in annual state revenue. Any revenue implications associated with the timing of the tax payment are nominal in the context of the enormous tax contribution our nursing homes are making to the overall state revenue.

CAHCF urges you to advance this legislation. I would be happy to answer any questions you may have.

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