CAADC

Connecticut Association of Adult Day Centers, Inc.

Testimony to the Human Services Committee

February 26, 2015

Regarding

House Bill 6846, An Act Implementing the Governor's Budget Recommendations for Human Services Programs

Submitted by Andre Brel, Vice President of the Connecticut Association of Adult Day Centers

The Connecticut Association of Adult Day Centers, or CAADC, is an organization of fifty adult day centers from across the state of Connecticut, and on behalf of those members I am pleased to submit the following testimony on the Governor's Budget Proposals related to Human Services Programs and specifically in opposition to the proposed changes in the state-funded portion of the Connecticut Home Care Program for Elders, the proposed cut to Medicaid provider reimbursement rates, and the proposed cut to the Alzheimer's Respite Program.

CAADC is alarmed to see that the Governor has proposed cuts to community based services and supports for older adults and a Medicaid provider rate cut that threatens community based providers. We view these proposed cuts to be a complete reversal of the rebalancing policy for long term services and supports that the state has supported for many years. This long standing policy has provided older adults the right care, at the right time, and in the location of their choice – while saving the state millions of dollars and slowing the increase in Medicaid expenditures for long term care, services and supports.

Community based services like adult day centers save our state budget millions of dollars in Medicaid spending each year. Community based providers are meeting the growing needs of Connecticut's older adults and their caregivers while preventing or delaying placements in skilled nursing facilities and helping to prevent the need for more expensive health care settings such as emergency rooms and acute care hospitals. The latest available annual report of the Connecticut Home Care Program for Elders indicated that in state fiscal year 2012, $113,003,132 in savings were generated as a result of the reduced utilization of nursing facility beds due to the Connecticut Home Care Program. **These community based services should be encouraged, not cut.**

We understand the economic challenges that the State of Connecticut is facing to balance a budget, but to place the burden on the backs of our frailest elders, their caregivers and the providers who are supporting them in the community is not right and does not make sense. We urge you to reject these proposed cuts.

State-funded portion of the Connecticut Home Care Program for Elders

The Governor's budget proposal seeks to freeze intake into the Category 1 program for those in the state-funded portion of the program. This is the level that provides services for those who are frail and in need of services, but not quite at nursing home level of care. Category 1 of the program helps older adults to maintain their independence in the community and prevents or postpones a decline that would lead to nursing home placement or hospital admission. We understand that if this portion of the state-funded program is frozen, individuals would need to spend down to Medicaid eligibility levels in order to receive

assistance with these services. Our experience tells us that this will dissuade older adults from seeking services until it is too late - when their needs become much higher and as a result, more expensive. A fall, malnourishment, or illness that is undetected – situations that might be avoided through the early intervention of support services. Preventative long term services and supports are substantially less expensive than skilled nursing home care, hospitalization or premature nursing home placement.

The budget proposal also seeks to increase the co-pay for those individuals remaining in the state-funded portion of the program from a 7% cost share to a 15% cost share. Previous experience has shown that an increase in the co-pay will cause individuals to leave or avoid the program. This is what happened in 2010 when a 15% co-pay was implemented. Again, this is a proposal that is contrary to the long standing policy of the state which is to serve frail, older adults in the community at the time they need it so as to provide them with care in the setting of their choice while postponing or preventing nursing home placement.

Threat of Medicaid Provider Rate Funding Cuts

Adult day centers are threatened by the proposed cuts of $107.5 million in FY 2016 and $117.5 million in FY 2017 to the Medicaid provider rates. Last year CAADC was part of a statewide coalition of provider organizations who advocated for a rate increase for the community based provider network that is caring for the older adults enrolled in the Connecticut Home Care Program for Elders and we want to take this opportunity to thank the legislature and the administration for hearing our plea and raising the Connecticut Home Care Program rates by 1% effective January 1 of this year. But that was only the beginning and we need to continue our investment in the home and community based provider rate system – not cut it as is threatened in this budget proposal.

CAADC joins our colleagues in opposing the proposed Medicaid provider rate cuts. While we understand the challenge the Connecticut Legislature faces to fairly fund so many vital services and programs, we firmly believe adult day centers and other community based services funded by this programs save Connecticut significant long-term care dollars by meeting the growing needs of Connecticut's elderly and their caregivers in the community and preventing unnecessary and premature placements in skilled nursing facilities. The full day of services provided by adult day centers, including door to door transportation, is a struggle to provide on the current rate of $70.92 a day. We could not sustain a rate cut.

Adult Day Center Services provided through the Connecticut Home Care Program for Elders

Adult Day Center Services are a *full day of care*
Activities, Companionship, Socialization & Supervision
Medication Administration by licensed Nurses
Nutritious Meals including Breakfast, Hot Lunch, Snacks, and continuous encouragement of liquids
Bathing/Showers are available and personal care is provided
Caregiver Support, Information, and Education are readily available
Escorted Transportation, door to door, is provided to and from the Center
Assistance in Coordinating and Planning client's long term care needs is available
Opportunities for daily face to face individual consultations, information and referral, support and assistance
Currently reimbursed $70.92 per day

Cut to the Alzheimer's Respite Program

While not in the bill before you today, the Governor's budget proposal seeks to cut the Alzheimer's Respite Program by $544,917, or approximately 25% of the current line item. This drastic cut will have a direct impact on our adult day clients and CAADC members oppose it.

Many elders with dementia live within their own homes for many years with the majority of the caregiving being provided by a spouse, relative, or close friend. It is both the elder and the caregiver who are served by the respite program. Adult day centers provide respite services to many of these individuals and we see firsthand how the respite program helps family caregivers continue to care for their loved ones at home. To cut this funding and remove this support would push many of these families toward more expensive nursing homes or in-home paid caregivers. This more expensive care will lead to the swift spend down to Medicaid eligibility and does not make fiscal sense for the state in the long run.

Family caregivers provide countless hours of unpaid long term care, services and supports. They are the true heroes of our long term services and supports system and providing them with needed respite is not only the right thing to do, but it is the prudent thing to do as they save our Medicaid program millions – possibly billions - of dollars every year.

Thank you for your consideration of this testimony.

Respectfully submitted,

Andre Brel, President of Juniper House Adult Day Center and Homecare in West Hartford and the Vice President of the Connecticut Association of Adult Day Centers

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