



February 5, 2015

Written testimony of Andrew Steiner, MPH, Administrator, Abbott Terrace Health Center 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 Abercrombie and to the members of the Human Services Committee. My name is Andrew Steiner. I am the Administrator at Abbott Terrace Health Center in Waterbury, Connecticut. Abbott Terrace has been an integral member of the Waterbury community for nearly 30 years. The facility has 205 beds and employs over 300 full and part time employees. In addition to a highly recognized rehabilitation and long term care services, Abbott Terrace houses the only specialized program for individuals with Alzheimer's disease and related dementias within the city of Waterbury.

On behalf of Abbott Terrace, I wish to publicly thank House Republican Leader Klarides, and Representatives Perillo and Gentile, and State Senator Crisco for introducing these badly needed bills. Additionally, we wish to also thank the Human Services Committee for including these bills at this public hearing.

In regards to the bills under discussion, they all address the same issue. Nursing facility rates under the Medicaid program have remained essentially flat since 2007, a period of nearly 8 years. During this time, the costs of operating a nursing facility have risen dramatically. These bills recognize that this financial math just does not add up and they provide for increased reimbursement rates through an annual cost of living adjustment through a formula that increases rates based on nursing facility costs.

The message from this operator's point of view is simple; Abbott Terrace and all of the nursing facilities in Connecticut need your support. As a facility and as a profession, we cannot continue to serve our residents with an ever higher quality of care without your help. Under the current trajectory our staff will be further burdened with heavier workloads and the quality of the services that we provide may be put in jeopardy.

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

- Labor Expenses at Abbott Terrace have increased due to increased health insurance premiums, workers' compensation costs, starting wages for both skilled and unskilled workers and routine wage increases to allow our staff to keep up with their costs of living.
- The costs of food, medical supplies and medicines have risen dramatically and our reimbursements from Medicaid and Medicare have not kept up with these essential materials.
- The costs of ancillary services such as x-ray, laboratory and patient transportation for which the nursing homes have responsibility have all risen along with the rising fuel and energy costs related to providing these services on site.
- Despite recent dips in energy costs, the expenses related to local utilities has risen unabated.
- Increased regulatory requirements and quality of care expectations from local, state and federal levels has driven Abbott Terrace to provide ever higher levels of care to both a younger disabled and older and sicker population.
- The costs related to medical technology and electronic records are only increasing every year and many of these costs are not accounted for as Medicaid rates have remained stagnant.

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

Thank you and I would be happy to answer any questions you may have.