



Testimony to the Human Services Committee

Submitted by Mag Morelli, President of LeadingAge Connecticut

February 19, 2015

Regarding

- **Senate Bill 893, An Act Extending Cost Reporting Deadlines for Long-term Care Facilities**
- **Senate Bill 896, An Act Concerning Protective Services for Suspected Elderly Abuse Victims**
- **Senate Bill 897, An Act Concerning Fair Rent for Residential Care Homes**

LeadingAge Connecticut is a statewide membership organization representing not-for-profit provider organizations serving older adults across the continuum of aging services, including not-for-profit skilled nursing facilities, residential care homes, home health care agencies, hospice agencies, adult day centers, assisted living agencies, senior housing and continuing care retirement communities. On behalf of LeadingAge Connecticut I am pleased to submit the following testimony on several bills before you today.

Senate Bill 893, An Act Extending Cost Reporting Deadlines for Long-term Care Facilities

LeadingAge Connecticut does not object to this bill which would change the statutory deadlines for the filing of long-term care facility cost reports. The changes proposed in the bill reflect the current deadlines that are imposed by the Department of Social Services.

Senate Bill 896, An Act Concerning Protective Services for Suspected Elderly Abuse Victims

LeadingAge Connecticut does not object to these proposed modifications to the statutes governing the operations of elderly protective services, but we would like to raise two technical issues related to the bill.

First, Section 1 of the bill now defines "legal representative" and we would suggest that the Committee consider expanding the definition to include "health care representative, as defined in section 19a-570 of the general statutes." The statutes define health care representative as the individual appointed by a declarant for purposes of making health care decisions for the declarant.

Second, Section 4 of this bill will bring the state law in line with federal HIPAA regulations and authorize a health care provider to release protected health information (PHI) for purposes of a protective services investigation without having to obtain consent. However, there is a key element of the referenced HIPAA provision that allows for the release of this PHI and that is the

required notification of the elderly person and his/her legal representative that the person's records have been disclosed for this purpose. The HIPAA exception requires that the provider promptly notify the individual whose records were disclosed unless, in the provider's professional judgment, informing the person would place him or her at risk of serious harm, or would involve notifying a personal representative and that would not be in the best interest of the individual. Providers will have to comply with the HIPAA provision, but leaving it out of this statute may mislead providers into believing that they are in full compliance if they simply adhere to the state requirement. We suggest that Section 4 at least reference the HIPAA notification provision by inserting the following in line 227: "abandonment or exploitation and shall provide notice to the elderly person consistent with 42 C.F. R. §164.512 (c)."

Senate Bill 897, An Act Concerning Fair Rent for Residential Care Homes

LeadingAge Connecticut represents thirteen not-for-profit residential care homes and on behalf of those homes, we must raise serious concerns over the proposed change in the calculation of minimum fair rent for residential care homes that is drafted in this bill. While we understand that this proposal was represented as just a technical change, we believe that it presents the potential for substantial rate cuts for residential care home providers.

We are concerned that as drafted, the new minimum fair rent calculation will cut the rates of those residential care homes that have invested in their physical plant over time and have accumulated fair rent increases over the years that are higher than the current minimum fair rent. From our interpretation of the language in the bill, it appears that residential care homes that have invested more than the minimum fair rent in their homes will be subject to a \$3.10 cut in their fair rent calculation. For example, if a residential care home made improvements to their building over the years and accumulated \$4.10 per day in fair rent, that amount is currently added to the minimum fair rent of \$3.10 for a total of \$7.20 per day. By removing the language in lines 25 – 31 of the bill that allows for that add on, it seems as if that home would now only be credited with the \$4.10 in accumulated fair rent and that their daily rate would be cut by \$3.10. This would be a very harsh penalty to those providers who have made a strong commitment to maintaining their physical plant and resident environment over the years.

We are also concerned that this modification to the minimum fair rent formula may discourage some residential care homes who have very low calculated amounts of accumulated fair rent from making needed repairs and maintenance to their buildings as they will no longer be assured additional fair rent adjustments to their rate.

We would respectfully request that the Committee seriously consider rejecting this request for a change to the residential care home fair rent calculation.

Thank you for this opportunity to submit testimony on these issues. Please consider us to be a resource to you as you consider these and other issues related to aging services.

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