

Testimony of Deborah Chernoff  
Public Policy Director  
THE NEW ENGLAND HEALTH CARE EMPLOYEES UNION, DISTRICT 1199, SEIU  
Before the Human Services Committee

*Opposing: Senate Bill 893, AA Extending Cost Reporting Deadlines for Long-Term Care Facilities*

Senator Moore, Representative Abercrombie and distinguished members of the Human Services Committee: thank you for the opportunity to submit testimony on behalf of the 8,000 members of our union, District 1199, who work in Connecticut's nursing homes. I write in opposition to SB 893, *An Act Extending Cost Reporting Deadlines for Long-Term Care Facilities*.

### What the Bill Does

This bill would postpone the long-established deadline for nursing homes to submit their Annual Reports (commonly referred to as "Cost Reports" or "Medicaid Cost Reports") from December 31<sup>st</sup> (for a Cost Year which runs from October 1 through September 30) to February 15<sup>th</sup> of the following year.

It would also then extend the deadline for the Commissioner of the Department of Social Services to report the data from those Cost Reports, which details the expenditure of about \$1.3 billion Medicaid dollars for long-term care, to the legislature. The current deadline is February 15<sup>th</sup>; the proposed new deadline for this report would be April 1<sup>st</sup>.

Thus, information regarding nursing home expenditures for the Cost Year that ended on September 30<sup>th</sup>, 2014 would not become available to members of the legislature or the public for more than seven months – **long after the Appropriations Committee has held its hearings and begun budget deliberations.**

### Why We Object

The information contained in these reports is critical for evaluating the financial situation of individual nursing home—for evaluating if a nursing home is at financial risk of closure, or not meeting payroll. **It is also vital to you, in this Committee and others, in making decisions about funding these critical and costly services. You are already making decisions based on older data that is the only data currently available. Further delay in reporting will only make your decisions more under-informed.**

This Committee and the Legislature felt it was important to *increase* financial transparency of nursing home expenditures just last year by passing Public Act 14-55, *An Act Improving Transparency of Nursing Home Operations*. The Public Act improved the financial transparency of those for-profit nursing homes which pay more than \$50,000 annually for goods or services provided by businesses related to the nursing home.

Testimony of Deborah Chernoff  
Public Policy Director  
THE NEW ENGLAND HEALTH CARE EMPLOYEES UNION, DISTRICT 1199, SEIU  
Before the Human Services Committee

Opposing: Senate Bill 893, AA Extending Cost Reporting Deadlines for Long-Term Care Facilities

---

To suddenly change deadlines now, delaying the reporting of that information in this session will only reduce your ability to have access to timely information in this rapidly-changing industry. We have seen a significant number of nursing homes change ownership and/or operators over the last few months and that trend seems likely to continue. In a volatile market, timely and complete information is even more important for making good decisions.

There is already a long-established process for nursing homes to update or amend their Cost Reports after they have been filed as necessary. Why delay reporting for all facilities? A later deadline only increases the likelihood of later filing. Obfuscation and further delay of the reporting of critical information regarding how private, for-profit businesses expend more than a billion dollars of taxpayer money serves no reasonable public interest.

We already know that the December 31<sup>st</sup> deadline was never absolute. You only have to look at the date stamp on Cost Report from prior years to know that some nursing homes didn't actually submit their reports to DSS until sometime in January or later. Pushing the deadline back even further simply means that some will not now arrive until late February or early March – the proverbial and inevitable “slippery slope.”

It is for all these reasons that we strongly object to the changes proposed in SB 893.