



*Written Testimony before the Planning and Development Committee*

*February 13, 2015*

The Department of Social Services offers the following written testimony on two bills that impact the agency and its programs.

**Proposed H.B. No. 5618 AN ACT CONCERNING COMMUNITY-BASED RESIDENTIAL FACILITIES**

This proposal would require prior notification to town officials regarding placement of a community-based residential facility, a full review of the placement, along with a cost analysis comparison to institutional care. This proposal also details the requirement of reimbursement to the town for expenses incurred related to the facility.

The Department is very concerned with the requirements outlined in this proposal. Community-based residential facilities are developed based on the local need and location of the families in need. To notify the town officials prior to a placement of a facility, would not only prolong the process but would also create an issue with access as the town official would potentially have the ability to reject the placement of the facility.

The specifics of this proposal are unclear. Additional details are needed to explain if the proposal was drafted to apply to the whole state, or just to the town of Manchester.

For these reasons the Department must oppose this bill.

**Proposed H.B. No. 6576 AN ACT EXEMPTING MUNICIPALLY OWNED NURSING HOMES FROM CERTAIN STATE FEES**

This proposal would amend the general statutes to exempt municipally owned nursing home facilities from the state fees that privately owned nursing home facilities are subject to.

Assuming the bill is referring to the provider user fees paid by nursing facilities as the “state fees” referenced, there are two nursing homes that are municipally owned. These two nursing homes already pay a lower provider user fee than most facilities (\$16.13 vs. \$21.02 per resident day). By exempting the user fee altogether for these facilities, the entire federally approved provider user fee calculation would be out of compliance with the requirement that the user fees be “broad-based” pursuant to 42 CFR 433.72. Exempting municipally owned nursing homes

would jeopardize the state's nursing home provider user fee revenue because it would require a waiver of the "broad-based" user fee requirement.

The state receives approximately \$1.5 million per year in user fees from municipally owned nursing homes. In total the state received approximately \$145.5 million per year in revenue from nursing facility provider user fees.

For these reasons the Department is unable to support this proposal.