

**Testimony to the Appropriations Committee**  
**Submitted by David V. Hunter**  
**February 11, 2016**

**Regarding the Governor's Budget Proposals Related to Human Services and Aging**  
**HB 5044, An Act Making Adjustments to State Expenditures for the Fiscal Year June 30,**  
**2017**

I am unable to testify before the Appropriations Committee today, but am concerned enough to submit this written testimony to Senator Bye, Representative Walker and members of the Appropriations Committee. I am David V. Hunter, the Chief Executive Officer of The Mary Wade Home, a nonprofit senior care community located in New Haven. We were founded, and continue serving the community, in our same location 150 years ago, and have developed into a continuum of long term care services, that includes a Skilled Nursing Center, Residential Care Home, Adult Day Center, Home Care, Community Navigator, Outpatient Rehabilitation Center, Primary Care and a transportation program serving the senior population in the Greater New Haven Region who need transportation to and from medical visits and for social needs.

I strongly urge members of the Appropriations Committee to support the Governor's proposal to maintain the current levels of Medicaid funding for long term services, supports and care for older adults. As Connecticut continues its path and aggressive goals to transition the Medicaid program with the rebalancing of the long term services and supports system so that more people can receive long term services in community based settings, it is essential for funding strategies to maintain this strategy.

It is vital for the Legislature to back the Governor's plan to support Connecticut's rebalancing policy for long term services and supports. This is an important initiative that is allowing older adults to maintain independence in their homes and is saving enormous State expenditures. The latest annual report of the Connecticut Home Care Program for Elders indicated that in state fiscal year 2014, \$87,662,725 in net savings were generated as a result of the reduction in nursing home bed utilization as a result of the Connecticut Home Care Program. It is vital for the Legislature to continue supporting this important program.

In referring to these important strategies, I am equally concerned with the proposed line item cuts to the Statewide Respite Program and Fall Prevention funding, and the threat to other funding within the Department of Aging that is related to proposed consolidation of agency operating funds that would be subjected to the across-the board 5.75% cut. It is important for the members of the Appropriations Committee to look at the whole picture regarding the cuts to this important initiative including the negative outcomes that will result.

Today in our State, nursing homes are providing a high level of medical and nursing services to the frailest seniors who suffer with severe or end-stage dementia, complicated by other significant diagnosis such as congestive heart disease, cancer and severe diabetes. Costs of providing care escalates each year. At Mary Wade, although we added 34 new skilled nursing beds, we still have a large waiting list. Since 2009, Mary Wade, along with Connecticut nursing homes have received two increases, in 2012 the net increase was 1.25% and in 2013 the net

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increase was .17%. Mary Wade loses more than \$30,000 per year for each Medicaid recipient that is provided care. Connecticut nursing homes are laden with myriad requirements to ensure proper care is provided on a 24 hours, 7 day basis. 70% of residents living in nursing homes count on Medicaid to pay for their care, but the average daily Medicaid rate that is paid to a nursing home is substantially lower than the cost of providing care. As a reminder, Connecticut nursing homes pay to the State a bed tax rate of \$21 per bed per day. This tax payment goes toward funding of the entire Medicaid system of long term services and support, not just nursing home care, and is paid regardless a viable payment source of the resident. This is a substantial cost burden on nursing home providers.

We all realize members of the Committee are grappling with the state's financial crisis and appreciate the budget position, but you must also appreciate that quality aging services and supports, for a growing senior population, cannot be sustained without adequate rates of reimbursement. The demands for services in Connecticut by an aging population requires you to be forward thinking in your leadership of our future.

I make myself available to any members of the Appropriations Committee to discuss my statement further, and invite all of you to visit our Mary Wade Campus as we celebrate our 150<sup>th</sup> year of serving the Greater New Haven Community.

Respectfully submitted,



David V. Hunter  
Chief Executive Officer