

**Testimony of THERESA I. MADONNA, ADMINISTRATOR  
The Eliza Huntington Memorial Home of Norwich, Inc.**

**H.B. No. 5044 AN ACT MAKING ADJUSTMENTS TO STATE EXPENDITURES FOR  
THE FISCAL YEAR ENDING JUNE 30, 2017.**

*Department of Social Services Budget- Residential Care Home Funding  
February 11, 2016 Appropriations Subcommittee on Human Services Public Hearing*

Senator Bye, Representative Walker, Senator Flexer, Representative Abercrombie and Members of the Appropriations Subcommittee on Human Services, my name is THERESA MADONNA and I am the Administrator of The Eliza Huntington Home located in Norwich and I am a member of the Connecticut Association of Residential Care Homes.

The Connecticut Association of Residential Care Home includes the majority of the estimated one-hundred homes in the state. We serve about 3,000 residents with about a 95% Census Level of which about 94% are state funded beds- limiting our ability to cost shift. Over 75% of our residents have behavioral health or mental health diagnoses with the remainder being elderly residents. Residential care homes are not medical facilities nor do we provide medical care. We do, however, serve an important function in providing housing to some of the most vulnerable citizens in Connecticut.

Our Home has been in continual operation since 1872 providing housing and services to elderly women in the greater Norwich area. For 144 years we have been challenged by providing services to this specific population amid tough economic times. We are unique in that we were founded by an act of the Connecticut General Assembly and we are a non-profit, 501c(3) charitable organization.

Today we find ourselves trying to make ends meet due to the DSS rate freeze on our State Supplement reimbursements for room and board. Residential Care Homes are funded through the Aid to the Aged, Blind and Disabled line items within the Department of Social Services budget.

There was a time when our home was supported by private pay residents. However, in today's environment many seniors are facing poverty and isolation because of their reliance on Social Security as their sole source of income.

Our Board of Directors decided to accept State residents in response to the need in our community. Today the Home consists of mostly State recipients and it is a constant struggle to be able to provide services when our costs continue to rise, yet our revenue does not. How do we care for the most vulnerable of our society? All of us as we age want to be assured that we can do so with dignity, as much independence as possible, and in an environment that is safe; the Eliza Huntington Home is such a place.

Our biggest challenge is management of our costs of staff. By far our largest budget item is wages and benefits. Our caregivers (Personal Care Attendants) are the mainstay of our business and as such are the most difficult type of person to attract, train and then retain. Our salaries must keep pace with the local economic situation. While it is important that we reduce our state's unemployment rate, for non-profit businesses, with fixed revenue, the lower the unemployment rate, the tighter the market for staff and the result is higher wages and benefits. Our wage and benefit costs difficulties are further exacerbated by our commitment to provide health benefits to our full time staff.

We need our State Supplement reimbursement rates to be adjusted regularly so that we can continue to do the important work we have been doing for 144 years. We need our state reimbursement rates to be adjusted regularly so that we can provide competitive wages and benefits to our staff. If not for Homes such as ours, our residents would be in skilled nursing facilities at a cost of over \$10,000+ per month. Our services are cost effective for the state and provide residents with a more independent lifestyle.

I understand the difficult decisions that need to be undertaken in the budget but would urge the committee to consider the impact of the budget on residential care homes and some of the most vulnerable in the state. Our industry cannot continue to progress without the full support of the state. Without homes like ours these residents would require greater expenses in nursing homes, hospitals and face higher overall healthcare costs. I urge you to continue to support our most cost effective and appropriate response to providing housing and service to our aging population.

Thank you for your time and consideration.

***Theresa I. Madonna, Esq.***

Administrator

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