

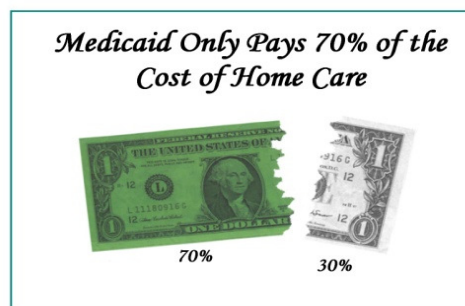
TESTIMONY
BEFORE THE APPROPRIATIONS COMMITTEE
REGARDING GOVERNOR'S PROPOSED MID TERM BUDGET ADJUSTMENTS

February 11, 2010

Good evening Senator Harp, Representative Geragosian, and members of the Appropriations Committee, my name is Brian Ellsworth and I am President & CEO of the Connecticut Association for Home Care & Hospice (CAHCH), whose members serve over 100,000 elderly, disabled, and terminally ill Connecticut citizens.

First, the Association wants to thank you for rejecting the proposed 5% Medicaid rate cut contained in the Governor's Deficit Mitigation Plan in December. Instead of enacting cuts that promote premature institutionalization, lost federal reimbursement and jobs -- we need to turn the conversation towards alternatives that will save money now and in the future when stimulus funds run out and our population continues to age. We have little time to spare.

The Association strongly believes that investing in home care should be a critical part of the solution to our financial challenges, but help is needed to reach that goal. Today, Medicaid pays only about 70 percent of the actual costs of home health care.



This \$30 million+ shortfall is financed by surpluses generated from efficient, high quality care provided to Medicare home health patients. Unfortunately, home care's ability to finance these shortfalls will be coming to an end as Medicare cutbacks take hold, whether through health reform or by regulatory measures. As agencies close or pare back admissions of Medicaid patients, they will end up in institutions at upwards of three times the cost.

Connecticut is already third in the country in per capita use of nursing homes -- now is not the time to be number one in this statistic!

Our 2010 State Legislative Agenda, which has already been shared with the General Assembly, contains specific win/win ideas on how to rebalance our long term care system to save taxpayers significant money, give our seniors and disabled real choice on where to receive care and increase federal reimbursement to CT, stimulating our economy. We look forward to working with you on these ideas.

The Association also wishes to express our opposition to the 15 percent copay on the State funded portion of the CT Home Care Program for Elders, as well as the recent proposal to increase the Medicare Part D cost sharing for full benefit dually eligible patients from \$15 to a maximum of \$20 per month (Sec. 35 of SB 32). To the extent that these proposals force patients to forego necessary care or medications, they are likely to cost more than they save. Instead we should explore ways to make state funded persons eligible for Medicaid in order to appropriately leverage federal reimbursements.

Thank you for consideration of our comments. I would be pleased to answer any questions you may have.

**CAHCH's Legislative Breakfast is on Tuesday, March 2nd
from 8:15 to 10:00 a.m. in the Executive Dining Room of the LOB.
This is followed by CAHCH Day at the Capitol
at the Concourse from 10:00 a.m. to 1:00 p.m.**