

May 22, 2009

## Legislative Update

### The Connecticut Association for Home Care & Hospice

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Dear Jennifer,

Over the past two weeks, the [Connecticut Association for Home Care & Hospice](#) (CAHCH) and its members have been advocating for important home care and hospice issues. Below is a snapshot of bills relevant to CAHCH as well as an update on [H.B. 6600](#), An Act Concerning the Establishment of the Sustinet Bill, a highlight of the Money Follows the Person press conference, and a budget update. For a full list of bills that CAHCH is tracking from the previous two weeks, [click here](#).

Please let us know if you have any suggestions regarding the update. Suggestion or questions can be emailed to Kristen LaCosse at [lacosse@cahch.org](mailto:lacosse@cahch.org).

#### Money Follows the Person Press Conference

On Tuesday, May 19, Advocates for Medicaid Choice in Connecticut hosted a press conference along with Sen. Jonathan Harris (D-5th District) and Rep. Arthur O'Neill (R-Southbury) to discuss the Money Follows the Person (MFP) program. Joe Stango, founder of Advocates for Medicaid Choice, and Brian Ellsworth, CAHCH President and CEO, spoke about the benefits of MFP and emphasized it with individuals who are currently in nursing homes but would like to move home.

Other legislators in attendance included Sen. Robert Kane (R-32nd District), Rep. "Corky" Mazurek (D- Wolcott, Milldale, Marion, Plantsville, Southington), Rep. Larry Miller (R-Shelton & Stratford), and Sen. Edith Prague (D-19th District).

Bob Veillette, Stango's partner in MFP since 2007, was also present to show his support. Veillette has locked-in syndrome due to a stroke and has been living at home since October 2006 thanks to his family.

In January 2008, Veillette was accepted into one of the few state Medicaid programs that help pay for home care. He would be one of the recipients of MFP2. MFP2 would cost the state \$165,817 the first year, but in the second year it would save the state \$4.8 million.



Three other individuals, who are currently residing in nursing homes but want to move home, were in attendance to tell their stories: Danielle Murrugarra, a 65 year old woman from Westport, CT with Huntington's Disease, came with her sons Peter and Richard. Penny Mezzarone, a 54 year old Air Force Veteran

originally from Maine who now lives in Danielson, CT and has Multiple Sclerosis. Hector Pantojas, a 23 year old with severe brain damage after a car accident 3 years ago, was accompanied by his mother Maria and sister-in-law Marie-Alise Rodriguez.

Deputy Secretary Patrick Flood from Vermont was also present through a conference call. Flood created a program similar to MFP in Vermont and commented on the benefits to the individuals and the state from such a program, noting that there is no downside to MFP. According to Flood, any state can spend the same amount of money on 2-3 people at home as they do on one person in a nursing home. "MFP is an absolute no brainer," said Flood, "We can and should be offering more opportunities for people".

CAHCH's presentation highlighted the assumptions, savings, proposal, and status of MFP. Brian Ellsworth presented the material to the reporters, legislators, and public in attendance.

The proposal for MFP requires a budget for 610 nursing home transitions (\$30 million) over the biennium and the reinvestment of savings resulting from MFP transitions (\$6.4 million) to adequately fund Medicaid home care rates and develop a workforce. The net savings to the General Fund would end up being \$23.6 million with \$2.7 million dollars going to fully fund the long-term care reinvestment account.

MFP currently has 643 referrals to date. There are currently 37 transitions with 100 care plans approved and lots of housing modifications. Within the next six months, agencies will start seeing them. A physical therapy and occupational therapy assessment will be required, additional assessments prior to going home will also need to be completed to establish plans for housing modifications. Assistive technology is now going to be included in PCA (Personal Care Assistance) waiver with PT/OT assessments required.

## Sustinet and Pooling Bill Passes the House

The House passed [H.B. 6600](#), An Act Concerning the Establishment of the Sustinet Plan, Wednesday, May 20th with a vote of 107 yes to 35 no. Proponents say this bill will reform the way health care is delivered in Connecticut. The members voting against the bill included all of the Republicans and Rep. Shawn Johnston (D-Killingly, Putnam, & Thompson's 51st District).

The bill is a revised version of the Universal Health Care Foundation's proposal in January. It will create a nine-member board of directors, three task forces, and four advisory committees that will make recommendations to the General Assembly by Jan. 1, 2011.

The board of directors' goal will be to offer a public health insurance option to both individuals and businesses. This will be done through the creation of a massive pool which includes state employees and individuals in state Medicaid programs. Uninsured individuals and employers will have the pool expanded to them as well.

Critics say that they are still concerned that this will lead to a state run health insurance program.

This bill will now go to the Senate for approval.

## Budget Update

### Op Ed in the Hartford Courant

As an outgrowth of CAHCH's press conference following CAHCH Day at the Capitol, we submitted an Op Ed to the Hartford Courant. The Op Ed, entitled "Shortchanging Home Care is a Lose-Lose", was published today, May 22nd, below is the article as it appears in the Hartford Courant:

*YOUR VIEW: BRIAN ELLSWORTH*

**Shortchanging Home Care Is A Lose-Lose**

May 22, 2009

When it comes to long-term care, nearly everybody would prefer to receive it at home instead of at an institution. Home health care costs much less than institutional care. And most politicians will tell you that a shift toward more home care is part of the answer to health care reform.

It all sounds pretty simple, right? Then why has Senate Bill 1122, which would have shored up our state's financially fragile home health agencies, died in committee during this legislative session?

Many of our state's home health agencies are facing a financial crisis largely as a result of underfunding by the state's Medicaid program. Today, Connecticut reimburses approximately 70 cents for every dollar's worth of home care provided for Medicaid patients. We have reached the point where this underpayment is no longer sustainable.

For many home health agencies whose mission is to care for everyone regardless of their ability to pay, this underpayment by Medicaid has reached a critical stage and is actually threatening their existence. Policy-makers and legislators in Hartford should be looking to home care like never before to help cut health care costs. And for good reason. Home care costs less than one-third the cost of a nursing home stay. In 2007, the Connecticut Home Care Program for Elders saved Connecticut taxpayers \$91 million. And according to a University of Connecticut survey, 82 percent of Connecticut residents reported they want to receive long-term care at home if it's ever needed.

Medicare, the other major payer of health care costs, also continues to ratchet down payments to home health agencies. The president is calling for a \$200 million cut in home health payments to Connecticut agencies over the next five years.

Home care agencies in Connecticut are facing a grim reality - either cut back on the number of Medicaid patients they can serve or continue their march toward bankruptcy.

One of the consequences will be that Connecticut will not be able to take full advantage of the innovative federal program "money follows the person," preventing more people from returning home from institutions. In this tight budget environment, Connecticut can ill afford to turn away a precious \$24 million in savings as well as additional federal funds that come with this program.

It is often said that home care is the only health care that people actually look forward to. Patients establish strong relationships with the caregivers who come to their homes to help them heal. Their recovery, as well as their return to independence, is greatly enhanced.

With the death of Senate Bill 1122, which would have phased in increases in Medicaid payments to home health agencies, an important opportunity is lost. It would have created real savings at a time of great financial need for state government. The providers of home health services will continue to try to convince state legislators of the need to increase Medicaid reimbursements so they can continue to provide high quality, cost-effective home health services for all of the citizens of Connecticut.

The facts are clear - the state must increase the Medicaid rates for home care, not only to save precious tax dollars, but also to allow more of our fellow citizens an opportunity to receive their health care at home instead of in an institution.

·Brian Ellsworth is president & CEO of the Connecticut Association for Home Care & Hospice.

#### **Informational Hearings**

On Wednesday, May 20th, an informational hearing on the effects of the stimulus bill from the Commission on Aging was held. In this hearing they discussed the enhanced Medicaid match (60% instead of 50% from the

federal government) that Connecticut is receiving. To view the hearing please visit: [Commission on Aging Informational Forum on the Federal Stimulus Package](#).

On Monday, May 18th, there was an informational hearing on nursing home funding where they discussed the extending of a provider tax to other providers, including home care. CAHCH is exploring whether this proposal has any traction and will keep you updated. To view the hearing please visit: [Legislative Informational Forum on Nursing Home Funding](#). The provider tax starts being discussed at the 57:20 time mark.

#### **Meeting with Nonpartisan Legislative Office of Fiscal Analysis**

Brian Ellsworth and Bill Sullivan met with Spencer Kane and Neil Ayers from the Nonpartisan Legislative Office of Fiscal Analysis to discuss CAHCH concerns with the proposal to encourage growth of Medicare Special Needs Plans. This proposal is part of the Appropriations Committee budget.

The concerns centered around the negative effect of increasing Medicare Advantage would have on home health agency revenue. OFA officials appeared to understand our concerns but also reiterated that this proposal has a significant budget savings attached to it (\$100 million over the biennium). CAHCH will now express our concerns to DSS.

## Select Bills

Following are some important bills of interest that are still live:

[S.B. No. 243](#) AN ACT CONCERNING TRAINING IN PAIN MANAGEMENT FOR NURSING HOME STAFF

- On the consent calendar without any concession passed in concurrence with the House. It is being passed to the governor to be either vetoed or signed.

[H.B. 6600](#) AN ACT CONCERNING THE ESTABLISHMENT OF THE SUSTINET PLAN

- Passed by the House on Wednesday, May 20th and has moved to the Senate for approval.

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