



February 28, 2023

Testimony of Matt Barrett, President and CEO of the Connecticut Association of Health Care Facilities / Connecticut Center For Assisted Living (CAHCF/CCAL).

Opposed to:

H.B. No. 6665 (COMM) AN ACT CONCERNING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR HEALTH AND HUMAN SERVICES.

We are opposed to the provision in Section 12 of the bill that would eliminate any inflationary increases to the Medicaid skilled nursing facility rates beyond those already factored into the model for the transition to an acuity-based reimbursement system for SFY 24 and SFY 25. This is effectively a \$205.9 million reduction to nursing homes in the Governor's biennial budget recommendation now under consideration in the Appropriations Committee.

Specifically, the baseline budget includes an inflationary adjustment in each year of the biennium for nursing homes. The Department of Social Services is required to provide these inflationary increases over the next two fiscal years. However, Section 12 of this bill eliminates these increases over the biennium. This inflationary increase is critically important given the double-digit inflation, escalating staffing related costs and rising nursing pool agency costs that providers are experiencing. Put simply, the existing rates are clearly falling considerably behind these escalating costs.

For additional information, please contact Matthew Barrett at mbarrett@cahcf.org