



Connecticut Association of Health Care Facilities

February 19, 2019

Written testimony of Matthew V. Barrett, President and CEO of the Connecticut Association of Health Care Facilities / The Connecticut Center for Assisted Living (CAHCF/CCAL).

Good afternoon Senator Moore, Representative Abercrombie and to the distinguished members of the Human Services Committee. My name is Matthew V. Barrett. I am the President and CEO of the Connecticut Association of Health Care Facilities (CAHCF), our state's trade association and advocacy organization of one-hundred and sixty skilled nursing facilities and assisted living communities. Thank you for this opportunity to testify at today's public hearing.

Support with Recommended Revision:

S.B. No. 818 (RAISED) AN ACT ALLOWING FOR THE DEDUCTION OF COURT-APPROVED CONSERVATOR AND FIDUCIARY EXPENSES FROM MEDIAID APPLIED INCOME.

This bill requires the Department of Social Services (DSS) to amend the Medicaid state plan by December 31, 2019, to permit the deduction of certain conservator expenses when calculating a Medicaid-eligible nursing home resident's applied income. In general, nursing home residents must spend any income they have on their care---this contribution is referred to as the "applied income". It is most commonly a resident's social security income.

This bill alters the applied income arrangement by requiring that a deduction of the enumerated conservation expenses be deducted from the applied income amount. The practical effect of these deductions would be to reduce the amount of applied income going toward the cost of nursing home care for Medicaid recipients. Consequently, the Medicaid portion of the payment would increase to the nursing home as the applied income is reduced in an equal amount. Otherwise, the nursing home would be uncompensated for the cost of care when such conservator expenses are deducted from the applied income. To assure that the Medicaid payment to the nursing home is increased as the applied income is reduced, which is the apparent intended outcome of the bill, CAHCF requests that the language of the bill be amended as follows:

On line 12, after "are permissible under federal law." insert "Whenever such conservator fees and other expenses are deducted from the applied income, the Medicaid payment to the nursing home shall be increased in an amount equal to the reduced applied income."

In opposition to:

S.B. No. 819 (RAISED) AN ACT PROHIBITING ASSISTED LIVING SERVICES AGENCIES AND CONTINUING CARE PROVIDERS OFFERING ASSISTED LIVING SERVICES FROM REQUIRING A THIRD-PARTY CONTRACT GUARANTOR.

As we understand SB 819, the bill would prevent licensed assisted living services agencies, or continuing care retirement communities which include assisted living, from requiring a third-party guarantee of payment in any contract for services entered into after the effective date of this section. Further the bill provides that if contract entered into after the effective date of this section contains a provision requiring a third-party guarantee of payment, then such provision would be void and unenforceable, however, other provision unrelated to the third party guarantee would not be affected.

CAHCF/CCAL urges no action on the bill as drafted. The immediate concern is that access to assisted living communities may be severely impeded when assurances for payment cannot be achieved in the admissions agreement. Consumers seeking such services will not be well-served if communities are unable to move forward with contracts in the absence of voluntary promises for payment from third parties that today are commonplace in assisted living communities, and permitted under the law. Moreover, such agreements facilitate entrance to assisted living communities for thousands of individuals seeking the benefits of assisted living in our state.

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