



**February 29, 2024**

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

Good afternoon Senator Hochadel, Representative Garibay and to the members of the Aging Committee. My name is Matt Barrett. I am President and CEO of the Connecticut Association of Health Care Facilities / Connecticut Center For Assisted Living (CAHCF/CCAL). CAHCF/CCAL is a trade association of skilled nursing facilities and assisted living communities. Thank you for this opportunity to testify.

S.B. No. 156 – Opposed to Mandating 80% of Medicaid Funding on Direct Care as it insufficiently leaves only 20% for all other nursing homes services and supports.

There are five costs categories with allowable cost maximums: 1. Direct - Nursing and nurse aide personnel salaries, related fringe benefits and nursing pool costs. 2. Indirect - Professional fees, dietary, housekeeping, laundry personnel costs and expenses and supplies related to patient care. 3. Administrative and General - Maintenance and plant operation expenses, and salaries and related fringe benefits for administrative and maintenance personnel. 4. Property (Fair Rent) - A fair rental value allowance is calculated to yield a constant amount each year in lieu of interest and depreciation costs. 5. Capital Related - Property taxes, insurance expenses, moveable equipment leases and moveable equipment depreciation. See also

<https://portal.ct.gov/DSS/Health-And-HomeCare/Medicaid-Nursing-Home-Reimbursement/Nursing-Facility-CostReportsports>.

We are opposed to this provision because all five of the cost components used in setting nursing home rates are essential and mandating 80% of Medicaid funding be spent on direct care would unsatisfactorily leave only 20% of the overall Medicaid funding for all other nursing homes services and supports.

Thank you.

*For additional information on this testimony, please contact Matt Barrett, President and CEO of CAHCF/CCAL, at [mbarrett@cahcf.org](mailto:mbarrett@cahcf.org).*