



Testimony on HB 144 and HB 517

May 2, 2017

Good afternoon Mr. Chairman and members of the Committee. I'm **Jim Culhane, CEO of Lake Sunapee Region Visiting Nurse Association**. My agency serves seniors in Sullivan, Merrimack and Grafton Counties. I'm here on behalf of the Granite State Home Health Association to urge you to fund a rate increase for home care providers in the Choices for Independence Program.

Granite Staters in the CFI program qualify for nursing home care. These vulnerable citizens can live at home with the help of nurses, home health aides, personal care providers and homemakers. Not only is it what people prefer, it's a great investment. **CFI home support services cost just \$17,500 a year compared to \$56,600 for nursing home care.** There are currently 7,100 people who qualify for Medicaid-funded long term care services. **For every 1% that can remain at home through CFI, rather than in a nursing home, New Hampshire saves \$2.8 million a year.**

The problem is that provider reimbursement rates have not kept up with the cost of care. My agency serves 100 CFI clients and we lose \$30,000 a month on their care. We are committed to the CFI program as part of our mission, but we can't afford to take on any more CFI clients. Many home care agencies limit the number of CFI clients, or have stopped serving the program. The current rates make it hard to recruit and retain workers, cover benefits, transportation, workers' comp and other operating costs.

Home care agencies are grateful for a rate increase in 2015. It was the first increase in 10 years, and a step in the right direction. In order to sustain the CFI program and meet the needs of the growing senior population, the rates should be updated each year. I respectfully have two requests:

- **First, please delete the section in the trailer bill that suspends the home health rate-setting rule.** DHHS is required by federal and state law to have adequate rates that assure access to care. It's especially important to review rates as CFI transitions to managed care.
- Secondly, I ask the Committee to consider **an 8% increase for personal care providers and home health aides, along with a 5% increase for nurses and homemakers, in 2018.** I also ask for **an additional 3% for personal care providers and home health aides in 2019.** PCSPs and home health aides are the core of the CFI program, and staffing is dire. Without support for these critical positions, the CFI program is not sustainable.

An investment in the Choices for Independence program saves New Hampshire money by avoiding the cost of nursing home and hospital care. Please support this program for vulnerable citizens who need long term care services.

Thank you for the opportunity to speak.