

Foolish to Cut Medicaid Providers that Save the State \$100-Million Every Year

The Governor's Executive Order calls for a 5-10% reimbursement cut to non-profits as well as eliminating "add-on" payments to Medicaid home health providers serving the State's most vulnerable in our inner cities.

The financial impact of this action shoots Connecticut in the foot by jeopardizing the viability of the cost-effective healthcare provider network that produce a state savings of more than \$100-million each year to the Department of Social Services. DSS data show home and community-based providers under the CT Home Care Program for Elders and other home-based programs saved the State \$1-Billion over the past 10 years.

Any further Medicaid provider payment reductions would directly harm our home health providers, especially the VNAs, who serve residents with AIDS, high-risk maternal health issues, and the need for extended home health hours. Cuts would also eliminate the ability of VNAs to hire "community escorts" to accompany their nurses and home health workers to safely enter the buildings of Medicaid clients in inner city neighborhoods.

There is no cost-effective back-up plan to manage the care needs of Connecticut's most vulnerable and our rapidly-aging population. If home health providers are forced to further reduce their financial losses by limiting access to Medicaid clients, thousands of at-risk residents will default to hospital emergency rooms and nursing homes to receive care – at a significantly-increased cost to CT taxpayers and the State budget.

The State Legislature must recognize that shortsighted budget cuts will have a negative and costly long-term impact on Connecticut.

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