



**Sue Chase, Director, CarePartners
House Human Services Committee**

**H.153 - Medicaid reimbursement rates for home- and community-based service providers
March 10, 2021**

Thank you for the opportunity to testify – and thank you, Rep. Noyes and Rep. Wood, for introducing this bill. My name is Sue Chase. I am the Executive Director of CarePartners, an Adult Day Program in St. Albans. I am testifying on behalf of the Vermont Association of Adult Day Services, of which we are a member organization. Adult Days provide home- and community-based, non-residential support to assist adults with physical and/or cognitive impairments to remain as active in their communities as possible.

The VT Association of Adult Day Services supports giving providers of home- and community-based services an annual inflation increase. We also think that a study of the reimbursement rates is a positive step. Although all of this will be helpful in general to providers across the board, I would like to share with you what adult days' financial realities are.

A few years ago, when the reimbursement rate was increased by 2%, we went from a \$16.40/hour reimbursement rate to \$16.72. Note that most of our participants receive Medicaid benefits.

We have done internal assessments and have determined that an adequate reimbursement rate would be \$24/hour (which is what we are requesting in the budget bill in House Appropriations). Annual inflation increases over that amount will keep us at the funding level needed for the services we provide. It will also enable us to pay our employees a more competitive salary, which will attract more qualified employees to serve the increasing high acuity needs of our participants. Our teams of skilled, caring staff and health care professionals provide health monitoring services, assistance with personal care needs, and therapeutic activities. In addition, because we are fee-for-service, Adult Day programs are not reimbursed when someone is absent, even though many expenses are still incurred (labor costs, overhead, etc.). We have many absences throughout the year due to the frailty of our participants, illness, and our Vermont winters.

So, in summary, although we need to raise our base rate to a much higher level, we do wholeheartedly support H.153.