



Thank you for the opportunity to address you today. My name is Deborah Lively, and I am director of Public Policy and Public Affairs for LeadingAge Colorado. We represent the full continuum of senior living and care providers in Colorado. I am here today representing our alternative care facility and adult day services members. I would like to just give a few general comments on the rates and leave it up to the providers that are here today to give you specifics on the budgetary challenges they face daily in serving Medicaid enrollees.

According to our members, Medicaid doesn't currently cover the costs to provide care to HCBS recipients. An alternative care facility in Denver with over 70 percent of its residents on Medicaid loses \$400 to \$600 per resident, per month.

An established community service provider reports that on average, their three adult day services sites are reimbursed at 60 percent of actual cost and non-medical in-home care is reimbursed at 62.5 percent. This results in cost-shifting to private paying clients if possible, cutting costs or raising dollars through fundraising.

These and many other of our members struggle to offer quality services to Medicaid beneficiaries while expenses such as utilities, insurance, and staff education and training continue to rise. Additionally, new regulatory requirements and mandates, such as the federal HCBS settings rule, place unfunded, costly requirements on providers that choose to serve Medicaid beneficiaries.

These long-term care services provided in the community are valued by recipients and save the state money by delaying or preventing recipients from receiving care in an institutional setting.