

Hello. My name is Roman Krafczyk and I am the Vice President of Programs at Easterseals Colorado. Easterseals Colorado is a leading direct services organization serving individuals living with disability or health challenges. In 2016, we provided services to more than 13,000 individuals across the age and disability spectrums. While not all of our services include respite, it is a major component of many of our programs.

I would like to focus my testimony on the financial implications of the current Medicaid reimbursement rate for respite on an organization like Easterseals Colorado.

Our Lakewood headquarters is home to the Rehabilitation Services & Stroke Day Program. The Stroke Day Program is for individuals recovering from the effects of stroke or living with the challenges posed by other neurological disorders. The program is a functional rehabilitative day program that offers daily physical, occupational, speech, cognitive and warm water therapies in addition to other case management services. Participants also receive social-emotional support via camaraderie and group activities. Family caregivers – spouses, adult children, parents and siblings – also realize benefits by receiving respite.

The majority of the Stroke Day Program participants receive Medicaid. Those that are private pay clients pay a daily rate similar to the Medicaid reimbursement rate, so our daily income and expenses are comparable for all participants.

Currently, the Stroke Day Program operates at a loss of \$23.37 per client per day. Over the course of a year, that represents a total loss to the organization of \$84,159.

Programs that provide respite can take many different forms. Perhaps our most beloved program is our residential summer camp program at our Rocky Mountain Village facility in Empire. During summer's 16 specialized sessions, 650 campers participate in adaptable that include summer camp classics like catching a trout, performing at the outdoor theater, horseback riding, swimming, and flying over 800 feet on our zip line. While campers experience the joy of summer camp, their families receive the benefit of 6 straight days of respite. For many families this is their only break from care.

On-site nursing and trained staff surmount barriers presented by campers' health, personal and medical needs such as: tube feeding; life-threatening food allergies; oxygen use; assistance with eating; transfers; and/or bathroom support. A high staff to camper ratio is provided to meet each camper's needs. Generally there is a 1:3 staff to camper ratio, however, many campers need and receive 1:1 care. As a result, there is a significant disconnect between cost of providing the program and reimbursement received. Rocky Mountain Village operates at a staggering loss of \$144.43 per camper per day. The total loss for the year is \$252,756.

In contrast, I want to highlight WINGS, our day program for adults with developmental disabilities in Loveland, which has the smallest loss per day per

client for that program at \$5.04. While that seems like a fairly nominal shortfall, over the course of a year, it represents a total loss to the organization of \$31,510.

As an organization, 36% of Easterseals Colorado's annual revenue comes from Medicaid reimbursements. It is the single largest source of funding for our \$7,894,056 annual budget. For the programs that qualify to bill for Medicaid, Easterseals Colorado is able to fill the gap between reimbursements and actual costs because we are a nonprofit and can solicit supplemental funding from the philanthropic community. Easterseals Colorado has the benefit of 90 years of experience and good name recognition among donors, but fundraising is still extremely difficult and funding is not guaranteed. In a very real way, all of our programs are constantly at-risk of being cut for lack of funding. An increase, even a modest one, in the Medicaid reimbursement rate would provide greater financial security to organizations like Easterseals, ensuring that services for the disabled community and their families can continue. Community programs, like Easterseals are an efficient and effective tool for ensuring that those with disabilities can engage in meaningful community activities and enable families to manage the challenges of caregiving.

As a long time service provide and an advocate I am asking for your support of an increase in the reimbursement rate for respite services.

Thank you for allowing me to provide testimony today.