



# Senate

General Assembly

**File No. 246**

*January Session, 2003*

Senate Bill No. 685

*Senate, April 9, 2003*

The Committee on Human Services reported through SEN. HANDLEY of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING RESTORATION OF MEDICAL SERVICES PREVIOUSLY AVAILABLE UNDER THE MEDICAID AND STATE ADMINISTERED GENERAL ASSISTANCE PROGRAMS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) section 17b-257 of the general statutes, as  
2 amended by section 18 of public act 03-2, is repealed and the following  
3 is substituted in lieu thereof (*Effective from passage*):

4 (a) The Commissioner of Social Services shall implement a state  
5 medical assistance program for persons ineligible for Medicaid and on  
6 or before April 1, 1997, the commissioner shall implement said  
7 program in the towns in which the fourteen regional or district offices  
8 of the Department of Social Services are located. The commissioner  
9 shall establish a schedule for the transfer of recipients of medical  
10 assistance administered by towns under the general assistance  
11 program to the state program. To the extent possible, the  
12 administration of the state medical assistance program shall parallel

13 that of the Medicaid program as it is administered to recipients of  
14 temporary family assistance, including eligibility criteria concerning  
15 income and assets. Payment for medical services shall be made only  
16 for individuals determined eligible. The rates of payment for medical  
17 services shall be those of the Medicaid program. Medical services  
18 covered under the program shall be those covered under the Medicaid  
19 program, except that nonemergency medical transportation [, eye care,  
20 optical hardware and optometry care, podiatry, chiropractic,  
21 natureopathy, home health care] and long-term care and services  
22 available pursuant to a home and community-based services waiver  
23 under Section 1915 of the Social Security Act shall not be covered. On  
24 or after April 1, 1997, the commissioner shall implement a managed  
25 care program for medical services provided under this program,  
26 except services provided pursuant to section 17a-453a.  
27 Notwithstanding the provisions of sections 4a-51 and 4a-57, the  
28 commissioner may enter into contracts, including, but not limited to,  
29 purchase of service agreements to implement the provisions of this  
30 section.

31 Sec. 2. Subsection (b) of section 17b-259 of the general statutes is  
32 repealed and the following is substituted in lieu thereof (*Effective from*  
33 *passage*):

34 (b) The medical services for which a town shall be liable under this  
35 section and for which a town shall be reimbursed by the state shall be  
36 limited to the following medically necessary services provided such  
37 services are covered under the Medicaid program: (1) Physician  
38 services, (2) hospital services, on an inpatient basis subject to the  
39 provisions of section 17b-220 and outpatient care, (3) community clinic  
40 services, (4) prescription drugs, excluding over-the-counter drugs, (5)  
41 hearing aids, (6) laboratory and x-ray services, (7) emergency dental  
42 services, (8) emergency medical transportation, [and] (9) glasses, and  
43 (10) examinations (A) needed to determine unemployability, or (B)  
44 requested by an attorney to establish the eligibility of a person  
45 receiving general assistance benefits for federal supplementary  
46 security income benefits pursuant to section 17b-119. Services not

47 covered under this program include, but are not limited to,  
 48 nonemergency medical transportation. [ eye care, optical hardware  
 49 and optometry care, podiatry, chiropractic, natureopathy and home  
 50 health care.] In lieu of providing medical services, in accordance with  
 51 this section, a town or group of towns may submit a plan to the  
 52 Department of Social Services for approval to provide medical services  
 53 in some other manner. The department shall approve the plan only if  
 54 the persons served under it receive at least the services listed in this  
 55 subsection and the plan offers the possibility of improved medical care  
 56 or cost savings. The department shall encourage a town or group of  
 57 towns to contract for the management of such medically necessary  
 58 services.

59 Sec. 3. (NEW) (*Effective from passage*) Not later than ninety days after  
 60 the effective date of this section, the Commissioner of Social Services  
 61 shall submit an amendment to the Medicaid state plan to restore  
 62 coverage for optional services eliminated pursuant to section 17b-28e  
 63 of the general statutes, revision of 1958, revised to 2003.

64 Sec. 4. (*Effective from passage*) Section 17b-28e of the general statutes  
 65 is repealed.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>

**HS**            *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:**

<b>Agency Affected</b>	<b>Fund-Type</b>	<b>FY 04 \$</b>	<b>FY 05 \$</b>
Department of Social Service.	GF - Cost	5,500,000	5,500,000

**Municipal Impact:** None

**Explanation**

This bill restores other practitioner services under the Medicaid program and home health, eye care and other practitioners under the State Administered General Assistance (SAGA) program. These services were eliminated by P.A. 02-7, *An Act Concerning State Expenditures*. The restored services will increase costs under the Medicaid program by \$2 million annually and under the SAGA program by \$3.5 million annually.

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**OLR Bill Analysis**

SB 685

***AN ACT CONCERNING RESTORATION OF MEDICAL SERVICES PREVIOUSLY AVAILABLE UNDER THE MEDICAID AND STATE ADMINISTERED GENERAL ASSISTANCE PROGRAMS*****SUMMARY:**

The bill restores Department of Social Services (DSS) payments for several services under the Medicaid, State-administered General Assistance (SAGA), and town general assistance (GA) programs that the legislature eliminated last year. (Town GA is operational in Norwich; all the other towns participate in SAGA.)

For Medicaid, the bill requires the commissioner, within 90 days after its effective date, to submit an amendment to the Medicaid state plan to restore coverage for the eliminated services. As implemented by DSS in January 2003, the cuts applied to physical therapists, podiatrists, chiropractors, naturopaths, psychologists, audiologists, and speech pathologists who are independently enrolled in the Medicaid program.

For SAGA and GA, the bill reinstates payments for eye care, optical hardware and optometry care, podiatry, chiropractic, naturopathy and home health care, which the 2002 legislation had specifically eliminated.

EFFECTIVE DATE: Upon passage

**BACKGROUND*****Medicaid***

PA 02-7, § 104, May 9 Special Session, required DSS to amend the Medicaid state plan in order to implement the Medicaid optional services provisions in the budget bill (PA 02-1, May 9 Special Session), which eliminated payments for a category called "other practitioners." On January 1, 2003, as a result of the legislation, Medicaid stopped paying for services provided to people age 21 and older by

“independently enrolled” practitioners (physical therapists, podiatrists, chiropractors, naturopaths, psychologists, audiologists, and speech pathologists). The program continues to pay them for services provided to patients under age 21 (DSS Policy Transmittal 2002-12, PB 2002-45, December 2002). Medicaid still pays for such services for adults billed through hospitals, hospital outpatient clinics, freestanding clinics, or physicians’ offices where the therapist works under the supervision of the physician but not if the practitioners are independently enrolled with the program. Independent practitioners are those who work on their own in private practice instead of under the supervision of a physician in a hospital, clinic, or physician’s office.

### **SAGA and GA**

The January 2003 DSS Policy Transmittal made the same changes for SAGA and GA as for Medicaid, and in addition eliminated payments for “vision services provided by optometrists and opticians (including all optical hardware) and home health care,” as required under the 2002 legislation (PA 02-7, § 19 and 20). Under existing statute, services covered under these programs must generally be the same as those covered under Medicaid, except for specific statutory exclusions. (It appears that the physical therapists, psychologists, audiologists, and speech pathologists were eliminated from these two programs by the Policy Transmittal to be parallel to the Medicaid services).

### **COMMITTEE ACTION**

Human Services Committee

Joint Favorable Report

Yea 16    Nay 2