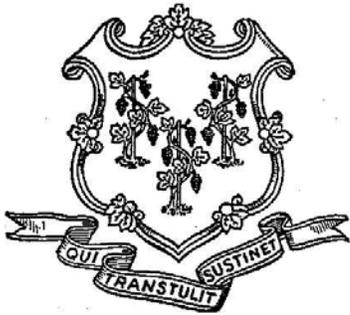


**2003 - 2004
BIENNIAL REPORT
OF THE
COMMITTEE**

Connecticut
General Assembly



LEGISLATIVE
PROGRAM REVIEW
AND
INVESTIGATIONS
COMMITTEE

Spring 2005

**CONNECTICUT GENERAL ASSEMBLY
LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE**

The Legislative Program Review and Investigations Committee is a joint bipartisan statutory committee of the Connecticut General Assembly. It was established in 1972 to evaluate the efficiency, effectiveness, and statutory compliance of state agencies and programs, recommending remedies where needed. In 1975, the General Assembly expanded the committee's function to include investigations, and during the 1977 session added responsibility for "sunset" (automatic program termination) performance reviews. The committee was given authority to raise and report bills in 1985.

The program review committee is composed of 12 members. The president pro tempore of the Senate, the Senate minority leader, the speaker of the House, and the House minority leader each appoint three members.

2003-2004 Committee Members

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Co-Chair
John W. Fonfara
Robert L. Genuario
Toni Nathaniel Harp
Andrew W. Roraback
Win Smith, Jr.

House

Julia B. Wasserman
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LEGISLATIVE PROGRAM REVIEW
AND INVESTIGATIONS COMMITTEE
2003-2004 BIENNIAL REPORT

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Committee Structure and Activities

Purpose and Composition

Connecticut's Legislative Program Review and Investigations Committee (LPR&IC) was established in 1972 as an instrument to strengthen legislative oversight. Originally created as the Program Review Committee, its charge was to conduct performance evaluations of state agencies and programs to: "...ascertain whether such programs are:

- effective,
- continue to serve their intended purposes,
- are conducted in an efficient and effective manner, or
- require modification or elimination..." (C.G.S. Sec. 2-53d)

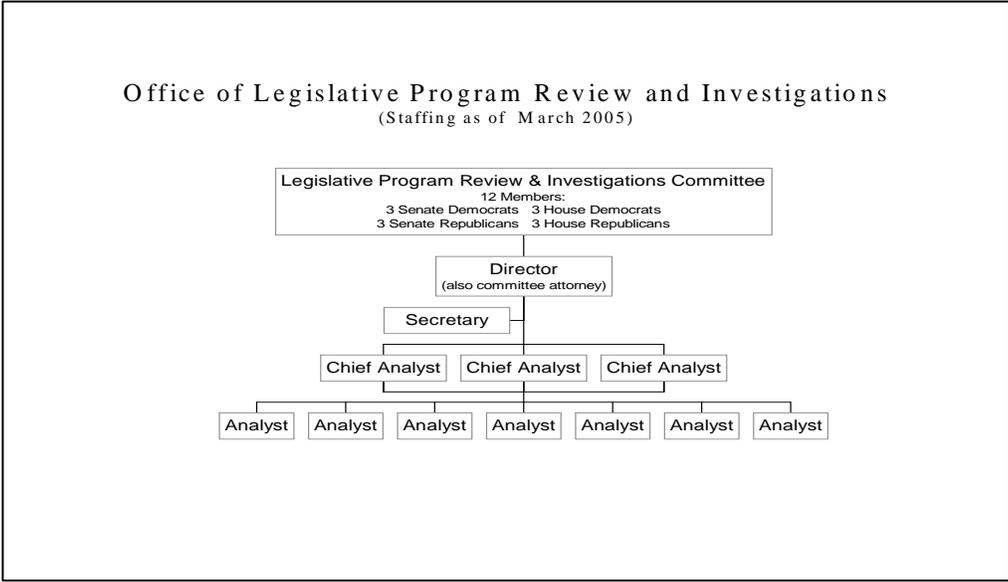
The committee's authority was expanded in 1975 to include investigations of "any matter" referred to it by the full General Assembly or the Joint Committee on Legislative Management. The program review committee's mandate was broadened further in 1977 with the addition of "sunset" performance reviews. In 1985, the committee was given authority to raise and report out bills. (Appendix A contains the program review committee's enabling legislation.)

The 12-member committee is composed of six House members, three appointed by the speaker and three appointed by the House minority leader, and six Senate members, three appointed by the president pro tempore and three appointed by the Senate minority leader. The Legislative Program Review and Investigations Committee is the only legislative committee in Connecticut with equal representation from each party and each chamber.

Enhancing the bipartisan nature of the committee's work, its authorizing statute requires that "all [committee] actions...shall require an affirmative vote of a majority of the full committee membership." Further, by tradition, the co-chairs rotate every two years from a Senate republican and a House democrat to a Senate democrat and a House republican. The Legislative Program Review and Investigations Committee elects its own co-chairs.

During each program review, the committee also includes, on an ex officio and nonvoting basis, the co-chairs and ranking members of the standing committee having jurisdiction over the program under review. In the case of an investigation, the co-chairs and ranking members of the committee requesting the investigation are by law ex officio and nonvoting members during the course of the inquiry.

The basic structure of the committee and its staff is shown below. Each year, the staff organization changes depending on workload and specific topic selection. Staffing may vary from two- or three-person teams of analysts with a project manager assigned to review a complex or very broad topic to one staff person conducting a smaller scope study alone.



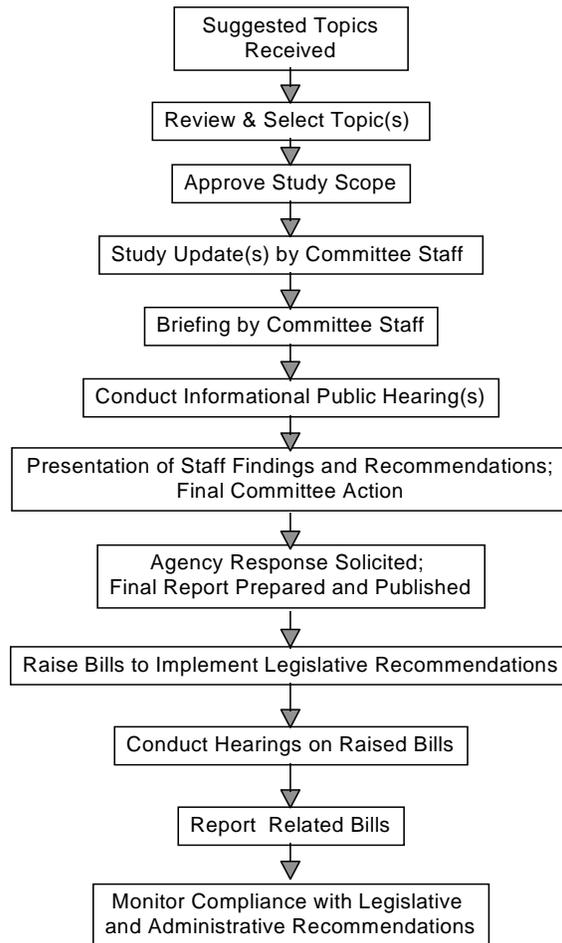
The Program Review Process

Legislative program review, also known as performance auditing, is one process by which the legislature oversees the state programs and agencies it has created and funded. Some programs may have outlived their usefulness; others may warrant continuation, but in a modified version; and still others may be appropriately structured but inappropriately funded. A program review typically involves examining the actual implementation of a program and evaluating how well the program meets the underlying legislative intent. Ideally, both program process and actual outcome results, as well as cost-efficiencies, are analyzed. Policy and management issues may also be reviewed.

In brief, the purpose of program reviews is to provide the General Assembly with independent and objective information and analysis that it needs to make sound, constructive decisions about state government programs and expenditures.

Major committee activities in the typical program review process are outlined in the following figure. The process begins with the selection of topics for review based on suggestions from a variety of sources including program review committee members, other members of the General Assembly, the committee staff, officials and staff within the executive branch, and the general public.

Typical Program Review Process: Major Committee Activities



The committee seeks topics with a potential for meaningful, constructive impact. In assessing a proposed topic, the committee considers the significance of the breadth of public and official concern and the degree of state control over the issue. The committee also considers the timeliness of a proposed study. It does not want to duplicate or conflict with another ongoing review or recently completed study covering the same areas.

The selection process also takes into account the current status of the agency or program to be studied. Generally, the committee avoids reviews of programs that were recently created, reorganized, or given new management.

A program review study is initiated after studied consideration and a majority vote of the full committee. The staff is then directed to develop a detailed scope of study to define the focus and limits of the study. The scope is reviewed by the committee, modified if necessary, and adopted by a majority vote.

Review methods. The committee through its staff uses a variety of methods to gather information for a program evaluation. Typically, the methods include: literature reviews and statute searches; extensive examination of program records, files, and budget information; interviews with agency personnel at different levels and outside experts; field visits; surveys of agency employees and clients; contact with other jurisdictions, similar private sector operations, and national professional or research organizations; and informational public hearings.

Prior to public hearings, briefings are held by staff to present background information and any preliminary findings to committee members. At the conclusion of the research and analysis phase, staff presents to the committee findings and proposed recommendations to address identified problems for discussion and final action by the committee. Studies typically extend over a several month period.

Authority to access data. Since 1993, the committee has had specific statutory authority to obtain data maintained by public agencies that is otherwise confidential, with the accompanying requirement to similarly maintain that status. Like other legislative committees, the program review committee also has subpoena authority.

Committee recommendations. Recommendations adopted by the committee along with relevant background information are published in a final report prepared by program review staff. Agencies studied are offered the opportunity to review and comment on the committee's final recommendations and, if provided, their formal responses are included in the published report.

Some committee recommendations require statutory change to implement and thus the committee needs to raise legislation for consideration by the full General Assembly. Other committee recommendations do not require legislation, but propose ways of improving the efficiency or effectiveness of a given agency. This type of recommendation, termed administrative, may be implemented by an agency under its general administrative authority.

Compliance. The final step in the program review process, as the above figure indicates, is the compliance function, a mechanism for tracking the progress of state agency implementation of administrative recommendations and enacted legislative recommendations contained in the committee's final program review reports.

According to statute (C.G.S. Sec. 2-53h(a)), the agency head or appropriate program official to which a committee report pertains must take necessary corrective actions to address inadequacies or deficiencies cited in a program review. When the committee deems the action taken "not to be suitable", it must report the matter, together with its recommendations, to the General Assembly.

Each year in November and December, the committee queries agencies that have been the subject of past performance audits as to what actions they have taken to implement previously made administrative recommendations as well as enacted legislative recommendations. This information is contained in the committee's annual report. Compliance results from recent committee studies are summarized later in this report.

Investigations

In addition to conducting program reviews of agency performance, the Legislative Program Review and Investigations Committee is authorized to investigate any matter referred to it in accordance with Section 2-53g(a)(5) of the Connecticut General Statutes. When the General Assembly is in session, investigations can be authorized only by adoption of a joint resolution of the two chambers. When the General Assembly is not in session, investigations can be authorized only by the Joint Committee on Legislative Management, either acting independently or on a request from a joint standing committee or the Legislative Program Review and Investigations Committee.

Availability of Reports

A list of all of the reports issued by the program review committee since it was created in 1972 can be found in Appendix B of this report. Printed copies of all reports, including annual reports, are available from the committee staff office: State Capitol - Room 506, Hartford, CT 06106 (Tel. 860/240-0300 or Fax 860/240-0327). Electronic copies of program review reports from 1999 through 2004 are available on the committee's web site at: www.cga.ct.gov/pri. The committee website also contains information on current committee activities as well as background information including the committee's enabling statute, current committee membership, and staff profiles.

Committee Accomplishments

2003 and 2004 Program Review Studies

During the 2003-2004 legislative biennium, the Legislative Program Review and Investigations Committee conducted six studies during 2004 and seven studies during 2003, on topics ranging from stream flow to state liquor permits. The committee's 2004 roster included:

- Medicaid Eligibility Determination Process;
- Mixing Populations in State Elderly/Disabled Housing Projects;
- Pharmacy Regulation in Connecticut;
- Preparedness for Public Health Emergencies;
- Pre-Trial Diversion and Alternative Sanctions; and
- State Liquor Permits

The committee's 2003 roster included:

- Bail Services in Connecticut;
- Consolidation of Agencies Serving Persons with Disabilities;
- Connecticut Budget Process;
- Correction Officer Staffing;
- Medical Malpractice Insurance Costs;
- Pharmacy Benefits and Regulation; and
- Stream Flow

A brief summary of each study is provided below. Digests of the 2004 studies, which include full listings of all the recommendations along with key findings for each study, follow the summaries in this section. The 2003 study digests are provided in the next section, which also includes information about implementation of committee recommendations one year after study completion.

Studies in Brief

Bail Services in Connecticut (2003). Serious concerns about the state's bail system prompted the program review committee to study this issue. Bail is a constitutionally protected part of the state's criminal justice system and this vital element involves a number of state agencies and a significant private sector component. In its study, the committee found state bail laws vague, confusing to interpret, and lacking guidance. The committee also found no identifiable policy rationale for the current two-track, two-agency regulatory system for different commercial bail bondsmen types, but which provide the same service. Specifically, the

Department of Public Safety Division of State Police regulates professional bondsmen and the Insurance Department regulates surety bail bondsmen, which results in conflicting, inconsistent, and ineffective enforcement and jurisdictional confusion. These weaknesses have allowed illegal and unprofessional practices to occur, to the detriment of the integrity of the bail system.

To improve these and other problems, the committee adopted 55 recommendations to reform the bail system by: simplifying state bail laws; consolidating state oversight of the commercial bail industry; regulating bail enforcement and fugitive recovery practices; aligning civil collections of forfeited bail bonds with other state debt collection efforts; and maximizing potential revenues to make the system self-funded.

Consolidation of Agencies Serving Persons with Disabilities (2003). This study was prompted by requests from leadership of both parties in early 2003 to examine where restructuring or reorganizing government agencies might produce efficiencies and cost-savings, given the state's difficult fiscal situation at that time. The committee approved a scope and a screening definition that narrowed the number of agencies serving persons with disabilities under review to:

- the Department of Mental Health and Addiction Services (DMHAS);
- the Department of Mental Retardation (DMR);
- the Bureau of Rehabilitation Services (BRS) (within the Department of Social Services);
- the Board of Education and Services for the Blind (BESB); and
- the Commission on the Deaf and Hearing Impaired (CDHI).

The focus of the review was on potential administrative cost-saving opportunities through reorganization, as opposed to any programmatic changes.

The committee found a majority of other states provide services to disabled populations through large umbrella agencies like a health and/or human services agency. Connecticut, however, has had a long history of supporting single-purpose agencies to serve persons with disabilities, and previous attempts to consolidate these agencies have achieved limited success.

Aware of the state's history, though, the committee also found recent fiscal and personnel reductions, and the introduction of Core-CT, a new automated system for business functions in state government, made 2003 an opportune time for consolidation. Further, a reduction of approximately 100 positions should be possible in a consolidated agency with centralized administrative functions, resulting in cost savings of about \$8.5 million annually.

Following a public hearing on the consolidation study in September 2003 at which most people spoke against a major consolidation, staff presented and the committee considered less-sweeping options to a full consolidation. Ultimately, the committee recommended a full consolidation of the five agencies into a single agency.

Connecticut Budget Process (2003). In this study, the committee examined whether the process used to prepare the state's spending plan was consistent with sound budget procedures and optimized decision-making. The review also included a case study of how performance budgeting could be applied to workforce development programs.

The program review committee found Connecticut's formal process incorporates most of the widely recognized best practices for budgeting. The goals of key fiscal reforms put in place in 1991 – balanced budgets, curbs on spending, “rainy day” funding -- have been achieved in part. At the same time, there is not always strict adherence to required procedures or recommended financial management policies. In addition, recent budgeting problems caused by a poor economy have been compounded by Connecticut's divided government.

While economic and political conditions present challenges to effective budgeting, the committee study did identify ways to make Connecticut's process work better and improve decision making. The program review committee adopted a series of 10 legislative and administrative recommendations designed to promote better information, greater participation, and more transparency in the process.

Correction Officer Staffing (2003). This study examined whether Department of Correction (DOC) custodial staffing levels were sufficient for the safe and efficient management of the state's prison population. While the committee concluded DOC procedures for determining staffing needs were consistent with nationally recognized standards, it had concerns about how the department actually monitored safety indicators and how the use of overtime, used to address staff shortages, might contribute to workers' compensation claims. The committee, concluding that an overall custodial staffing level should not be established in statute, made seven recommendations requiring DOC to produce certain data related to safety, aimed in part to provide the legislature with meaningful information with which to conduct its oversight function.

Medical Malpractice Insurance Rates (2003). In this study, the program review committee examined the issue of increasing medical malpractice insurance rates in Connecticut. From the study's inception in early 2003, the committee acknowledged the necessity of looking at the interconnected areas of malpractice claims resolution, liability insurance regulation and structure, and physician oversight for a more complete picture of the factors affecting the rate problem. The committee also noted that concern about increasing premiums and a connection to physician access significantly elevated the medical malpractice insurance issue as a public policy priority.

The committee adopted 16 recommendations to improve accountability and consistency in all three areas over the long-term, and to address the immediate premium problem through a premium relief program to give quick, short-term assistance to physicians especially hard hit by high premiums.

Pharmacy Benefits and Regulation (2003). The program review committee authorized a two-part study of pharmacy benefits and regulation in early 2003. The first part, completed in December 2003, looked at how the state purchases prescription drug benefits for a variety of program beneficiaries and examined whether the state maximizes opportunities to contain costs.

The study focused on issues related to expenditures, management of drug purchasing activities by state agencies, and accessibility of drugs for individuals not covered by existing state programs. The committee made 24 recommendations to modify the state's current system of providing prescription drug services. (The second segment of the study in 2004 focused on the authority and operations of the state to regulate the practice of pharmacy, and is summarized below).

Stream Flow (2003). The committee studied the topic of stream flow in 2003. Stream flow refers to the overall volume and velocity of water within a watercourse, and the adequacy of the volume and velocity for a multitude of water purposes. Through its study, the committee found the state had unworkable stream flow regulations, but also recognized stream flow is only one component of a water resource policy and planning system. The study found the current water resource policy and planning system lacking, in part due to the dearth of data. The committee made 19 recommendations to address the policy and planning gaps.

Medicaid Eligibility Determination Process (2004). In March 2004, the program review committee authorized a study of the Department of Social Services' (DSS) implementation of the application and eligibility determination process for the Medicaid program. The study was prompted by concerns that applications were taking too long to process, and that delays might be affecting client access to Medicaid. The study was also to determine how state employee layoffs, early retirements, and DSS restructuring had impacted the administration of eligibility determination for the program.

The committee study showed DSS having an increasing problem processing Medicaid applications in a timely fashion, especially in some of the programs. The committee found a number of contributing factors including: DSS eligibility worker reductions; office closings and shifting caseloads; an inflexible mainframe eligibility management system; a management structure that is largely decentralized; oversight mechanisms that focus primarily on expenditures and reducing errors rather than on timeliness or client satisfaction; and myriad changes to the Medicaid program prompted by state budget cuts in 2003, some of which were reversed in the 2004 legislative session. The committee concluded DSS had been harder hit by staffing reductions than many state agencies, and recommended restoring 14 positions lost to early retirements in the eligibility classifications.

The committee recognized DSS efforts to address the problem of timely eligibility determination (e.g., dedicated processing time). To further assist with the timeliness of Medicaid eligibility determinations, the committee made a total of 31 legislative and administrative recommendations related to application processing, staffing reductions, eligibility determination and program/support operations.

Mixing Populations in State Elderly/Disabled Housing Projects (2004). In March 2004, the Legislative Program Review and Investigations Committee was asked by more than 60 members of the General Assembly to review the state policy whereby non-elderly disabled and elderly individuals resided together in state-funded elderly/disabled housing projects. The committee authorized a study focused on examining the problems arising from this state housing policy and exploring options and alternatives for resolving them.

While non-elderly disabled individuals have been eligible for such housing since 1961, it wasn't until the mid-1980s when persons other than the elderly began seeking such housing in significant numbers. Committee research revealed the policy in application has both social and financial implications. Socially, over the years, there has been much discussion, although little documentation, of problems between the two tenant groups, ranging from lifestyle clashes and fears based on misconceptions about mental illness, to actual physical conflicts, disruptive behavior, and criminal activity. Financially, younger disabled tenants tend to have very low incomes, potentially longer tenures, and a growing presence on project waiting lists, which in combination could challenge the financial viability of state elderly/disabled projects.

The committee recognized that many factors in addition to policy, management, and funding matters contribute to the social and financial problems found in state elderly/disabled housing. One such major issue beyond the study scope is the state's affordable housing crisis and another factor, resident attitudes, is beyond the control of any legislation. Solutions examined by the committee, therefore, were also multi-faceted. The committee adopted a series of recommendations to address negative incidents and economics within the state housing projects through: more effective housing management tools; better support from and collaboration among state agencies; and stronger planning, oversight, and leadership by the state's lead housing agency.

The committee also considered a spectrum of policy options related to changes in tenant eligibility, but did not choose one at the time it adopted the report. Each option has benefits and drawbacks in terms of addressing social and financial problems and, to varying degrees, may be subject to legal challenges.

Pharmacy Regulation in Connecticut (2004). This study was the second part of the pharmacy benefits and regulations study approved by the committee in 2003 (see summary of part one above, which reviewed the state's role of prescription drug purchaser for a variety of program beneficiaries).

This second part examined the state's regulation of pharmacies, primarily the function of the Department of Consumer Protection (DCP) and the Commission of Pharmacy. The purpose of pharmacy regulation is to provide government oversight in an area deemed in need of public health and safety assurances, as well as consumer protection. The legislature first recognized the need to regulate the practice of pharmacy in Connecticut in 1881 when it established an independent, three-member pharmacy commission authorized to license pharmacists. Over the years, the state has greatly expanded its regulatory role to encompass the manufacturing, distribution, prescribing, administration, and dispensing of prescription drugs. The Drug Control Division within the Department of Consumer Protection (DCP) is responsible for the enforcement of the relevant state statutes related to pharmacy regulation.

Overall, the committee found the DCP Drug Control Division's operations to be largely paper driven with little automated information aggregated about various division functions. Specifically, the committee found an over reliance on managing on a case-by-case basis, with no automated information generated that could be used to measure the scope of program operations or program effectiveness. These deficiencies, the committee believed, are symptomatic of larger

departmentwide weaknesses and are largely a result of inadequate management information systems.

The committee made 11 recommendations to improve DCP's regulatory program by strengthening the process used to inspect retail pharmacies, requiring outcome information on division activities be collected, aggregated, and reported, and mandating the development of a strategic plan to ensure scheduled automation initiatives meet the needs of division managers. Also, based on its review of the pharmacy commission authority, the committee recommended requiring the department publish a quarterly summary of disciplinary actions taken by the commission. Finally, the committee recommended pharmacists who receive additional training be allowed to administer influenza vaccinations in community settings, similar to programs operating in more than 30 other states.

Preparedness for Public Health Emergencies (2004). The Legislative Program Review and Investigations Committee voted to study the status of Connecticut's preparedness program for public health emergencies in March 2004. In particular, the committee wanted to evaluate recent assessment, planning, and implementation activities related to improving the public health infrastructure in order to prepare for and respond to acts of bioterrorism, infectious disease outbreaks, and other similar serious public health threats.

Two important elements of a public health emergency are the unpredictability of its onset and the potential it has to affect the well-being of a large number of people. Because public health risks may change over time, ideally public health preparedness efforts reflect an "all hazards" approach that enables responders to handle many different kinds of incidents.

Since all elements of a preparedness program must be maintained at a certain level of readiness indefinitely, one can never say the job of being prepared is complete. Indeed, the federal Centers for Disease Control and Prevention (CDC) describes public health preparedness for emergencies as a *continuous* process of improving the health system's capacity to detect, respond to, recover from, and mitigate the consequences of public health emergencies.

The main public health preparedness agency at the state level is the Department of Public Health (DPH), which is the grant recipient for a majority of the federal bioterrorism dollars the state receives under the CDC and HRSA grant programs. Other key state agencies involved in emergency preparedness are the Office of Emergency Management and the Division of Homeland Security, both of which are being merged into a new Department of Emergency Management and Homeland Security (DEMHS) in January 2005.

At the regional and local level, a wide range of agencies and organizations are involved in public health preparedness and response efforts. These groups include local public health departments, acute care hospitals and other health care providers, various first responders such as emergency medical service (EMS) providers, and municipal officials.

The program review committee's 2004 study primarily focused on two aspects of preparedness. One was the actual process and organization used to build capacity. The other was the current outcome of the process as evidenced by specific elements (e.g., plans, procedures, training, and equipment) that comprise preparedness for public health emergencies.

Overall, the program review committee found the Department of Public Health and its related health partners have made significant progress since the fall of 2001 in improving the state's ability to prepare for, respond to, and recover from various types of public health emergencies. However, a number of components that would enhance these efforts need to be further developed, especially as preparedness efforts shift from planning to system performance, about which the committee made recommendations.

Pre-Trial Diversion and Alternative Sanctions (2004). The Legislative Program Review and Investigations Committee voted in March 2004 to study the organization, effectiveness, and efficiency of the state's system of alternative incarceration programs (AIP) including pre-trial diversions, alternative sanctions, and specialized courts. Specifically, the study reviewed the following:

- the public policy establishing pre-trial diversion and alternative sanctions as options to traditional criminal justice sanctions (e.g., incarceration, probation);
- the existing network of pre-trial diversion, alternative sanction, and specialized court programs including client eligibility;
- the state structure within which these programs operate, specifically the Judicial Branch's Court Support Services Division (CSSD); and
- the efficiency and effectiveness of the pre-trial diversion and alternative sanction programs in meeting statutory goals and objectives.

Since 1990, Connecticut has developed an extensive network of alternative incarceration options to be used in lieu of or to augment the traditional criminal sanctions of prison and probation. The primary goal of the state's alternative incarceration concept was to help control the growth in the inmate population thus addressing prison overcrowding, which in the early 1990s had reach a crisis point. Beyond just an overcrowding remedy, though, it was intended to also better address offender rehabilitation, court backlog, and public safety concerns.

While these overall goals of the state's alternative incarceration policy have not changed, there has been a recent shift in focus from controlling prison overcrowding to reducing recidivism (via Public Act 04-234). The underlying principle of the new strategy is that a reduction in the overall recidivism rate will also have a broader public safety impact by addressing the causes of crime rather than simply focusing on prison bed savings.

As part of the committee's study, an analysis of the rate of recidivism among alternative incarceration program (AIP) clients was conducted, and a profile of the AIP client population was developed. Also, the committee made a number of recommendations intended to improve the accountability and management of the pre-trial diversion and alternative sanction programs.

State Liquor Permits (2004). In March 2004, the Legislative Program Review and Investigations Committee, at the request of the Senate president pro tempore and the General Law committee co-chairs, initiated a study of state liquor permits with a goal of clarifying and simplifying the regulatory structure. In addition to analyzing the type, purpose, and associated

fees of state liquor permits, the study examined how the current permit structure addresses local community concerns about regulated entities.

The primary purpose of Connecticut's liquor control laws is to prevent underage drinking and sales of alcoholic beverages to intoxicated persons. The state's liquor permit system is intended to promote this goal by ensuring sales are carried out in compliance with relevant laws and regulations. At present, more than 70 different types of liquor permits with varying fees and regulatory requirements are administered by the liquor control division of the state Department of Consumer Protection (DCP). State permit categories are based on the three industry tiers (manufacturer, wholesaler, and retailer) and type of alcohol sold (beer, wine, or liquor) as well as the primary nature of the business selling alcoholic beverages.

The committee's research showed a model permit system should be simple to administer and enforce, and result in consistent treatment of similar entities. Connecticut's current structure is complex, complicating policy making and enforcement. The program review committee additionally found current liquor permit fees are inconsistent and outdated.

To streamline state liquor permits, emphasize their primary purpose, and promote fairness, the program review committee recommended the existing system be repealed and replaced with a structure that groups like activities, focuses on key regulatory goals, and incorporates volume-based fees by January 1, 2008.

The committee's review revealed municipalities have significant control over the sale and consumption of alcoholic beverage through the state local option provision, municipal zoning authority, and other local ordinances. There is also considerable opportunity for local input regarding permitted establishments under a statutory remonstrance process, the state public nuisance abatement law, and municipal official sign-off on certain liquor permit applications. Several administrative and statutory changes, however, that would better inform the public about the state's liquor permit remonstrance process and improve opportunities for expressing local concerns about state liquor permits were identified and recommended by the committee.

Finally, throughout the course of the study, the committee encountered deficiencies within DCP information systems that impede effective management of state liquor permits. The foundation of any effective regulatory program is accurate, comprehensive, and accessible management information. The program review committee recommended the department make improving its automated information systems a priority by developing and implementing a strategic corrective action plan. Mandatory reports to the legislature on key liquor division activities for the next three years were also recommended to promote management accountability.

Other 2003-2004 Projects

BESB Monitoring Council. Via Public Act 03-217, a temporary Board of Education and Services for the Blind (BESB) Monitoring Council was established to address legislative concerns over BESB's overall performance in carrying out its mission and full range of statutory

authority. This council was created in part to monitor implementation of the program review administrative recommendations from the committee study completed the year before, entitled *Board of Education and Services for the Blind Vending Machine Operations (2002.)* The 14-member council, composed of certain legislators (including the program review committee co-chairs), the BESB executive director and several other state agency heads, and representatives of the blind community, must establish benchmarks for agency management, operations and services and report on progress made in meeting those benchmarks over a one-year period. The council's report must also include legislative proposals and recommended changes in BESB's organizational structure.

The monitoring council's mandate also covers several administrative recommendations from an earlier program review study related to establishing and tracking outcome measures for vision education services (*Educational Services for Children Who Are Blind or Visually Impaired, 2000*). In addition, the council review of BESB's management and structure could aid strategic planning efforts and help clarify the agency's mission and role in vision education, two additional recommendation areas from the committee's vision education study. Program review staff has provided information and assistance to the council. Originally scheduled to complete its work by July 1, 2005, the monitoring council was extended by P.A. 05-5 until January 1, 2006.

Bail Supplemental Analysis. In July 2004, the committee asked its staff to provide additional analysis related to bail. This analysis was a follow-up to the committee's completed study entitled *Bail Services in Connecticut (2003)*.

The committee was interested in: 1) the rate of minority participation in the commercial bail bond industry; 2) trends in financial bail bond amounts and nonfinancial conditions of release set by superior court judges; and 3) if the trend in financial bail bond amounts was increasing, ways to reverse that trend and have face value of bonds set as least restrictive amount necessary to assure a defendant's appearance in court. Based on its study the committee found: 1) no pattern of exclusion of minority persons from the commercial bail industry, based on an workforce analysis and the reasons for regulatory actions taken; 2) the average surety bond amount especially for felony offenses for all defendants is increasing; and 3) type and severity of the crime charged, not race, were the overriding factors determining the type and amount of financial bond.

2004 STUDIES: DIGESTS

Medicaid Eligibility Determination Process (2004): Digest

In March 2004, the program review committee authorized a study of the Department of Social Services' (DSS) implementation of the application and eligibility determination process for the Medicaid program. The study request was prompted by concerns that applications were taking too long to process, and that delays might be affecting client access to Medicaid. The

study was also to determine how state employee layoffs, early retirements and DSS restructuring have impacted the administration of eligibility determination for the program.

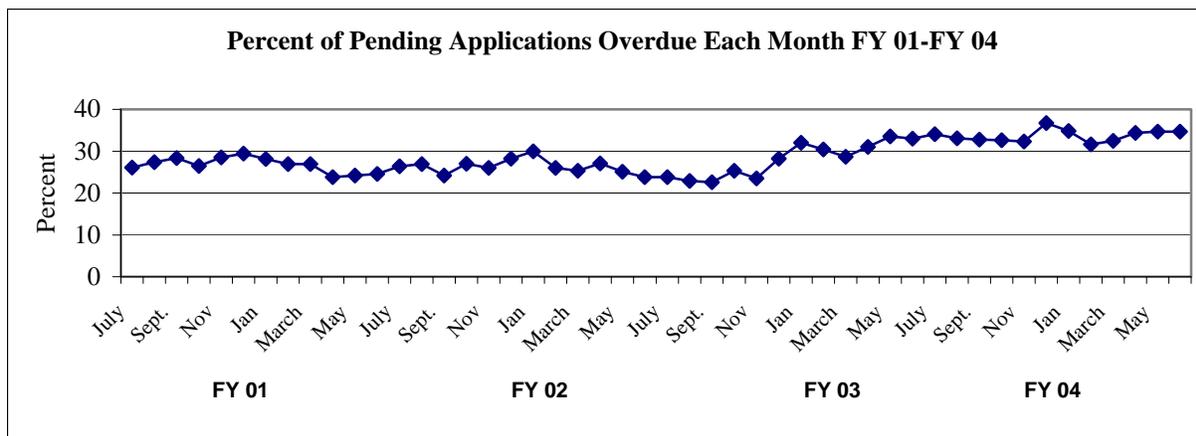
The report describes many of the programmatic aspects of Medicaid, including federal and state laws, regulations, and other requirements regarding Medicaid eligibility determination, as well as standards for timeliness (known as standard of promptness) and accuracy of determination decisions.

Application Processing

The study found that while there are specific time requirements established in federal regulation for determining Medicaid eligibility, typically 45 days for most applicants, the Centers for Medicaid and Medicare Services (CMS), the federal administering agency, requires no reporting on timeliness. Thus, seldom are sanctions imposed on states for deficiencies in timeliness, as they are when high Medicaid error rates for eligibility are incurred.

The report describes the processes and systems used by DSS to determine eligibility, including accepting applications, collecting and verifying eligibility information, and determining and redetermining eligibility for the major Medicaid populations. The major management and oversight mechanisms in place are also discussed.

The study examined statewide trends in Medicaid caseloads and applications by the major populations covered by the program. Specifically, the study found the percentage of all Medicaid applications that are overdue at the end of each month increased from 25 percent in FY 01, to about 34 percent in FY 04.



However, the study found the extent of the problem of overdue applications varies considerably among the different Medicaid populations:

- pending long-term care applications that are overdue increased from 55 percent in FY 01, to 60 percent in FY 04;

- pending applications for the aged, blind or disabled Medicaid population that are overdue (beyond 90 days) increased from a monthly average of 23 percent in FY 01, to 28 percent in FY 04; and
- pending family Medicaid applications that are overdue each month increased from an average of 10 percent to 16 percent during the FY 01 to FY 04 period.

The report determined one of the oversight mechanisms of timeliness in regard to application processing is the result of a 1992 court-approved stipulated agreement between DSS and Connecticut Legal Services to settle a civil action. In the settlement, known as the Alvarez agreement, the parties agreed that no more than five percent of overdue pending applications for assistance, including Medicaid, could be “unexcused” (meaning DSS is responsible for lateness). Further, no more than 10 percent of the pending overdue applications could be considered “unexcused” in any one office. Using this measure, the study found the percent of unexcused overdue applications statewide has gone from a monthly average of 4.3 percent in FY 01, to 6.5 percent in FY 04.

The report concluded that there are substantial variations among offices in the timeliness of application processing. While there is a strong correlation between staffing level reductions and percentages of overdue applications, that does not appear to be the sole factor causing office variation. The committee concluded that, in addition to such quantitative factors, DSS management must also examine other qualitative elements to determine what contributes to office variations in performance and service.

The study also found that, while there was not an increase in the overall denial rate of family Medicaid applications statewide, there were substantial differences in denial rates among offices. However, the higher denial rates appeared historical in offices, rather than a recent implementation of strategy to reduce overdue applications.

Impact of Staffing Reductions

The study analyzed the impact state employee layoffs and early retirements had on DSS, and specifically the eligibility worker classes. The committee concluded DSS has been harder hit by staffing reductions than many state agencies, and recommends restoring 14 positions lost to early retirements in the eligibility classifications.

Eligibility Determination by Program

The report examined some of the different eligibility options and determination methods employed with various family Medicaid groups. Specifically, the state’s experience with options like presumptive eligibility for pregnant women, presumptive eligibility for children, and continuous eligibility for children were addressed. The committee recommended that statutes and policy regarding presumptive eligibility for pregnant women be revised, and that presumptive eligibility for children be re-established. The committee also found timeliness issues with long-term care applications and recommends DSS seek official CMS modifications to the processing of new applications and renewals in that program.

The study also examined the SCHIP program, the state's supplementary health insurance program for children who do not qualify for Medicaid. The processing time standards for that program are inadequately defined in the vendor contract, and thus it is difficult to measure the contractor's performance in terms of timely processing or referral. The committee also found other deficiencies with the contract for SCHIP administration and proposes the contract be rewritten and new proposals sought.

Operations and Support Systems

The report examined operations and support issues, including the department's computerized system for determining Medicaid eligibility and proposes that DSS begin work on a long-term plan to upgrade the department's automated eligibility management system. The committee recommends that DSS provide online application capability for HUSKY (i.e., the streamlined enrollment process for family Medicaid) by July 2006. The report concluded that DSS Central Operations should take more of a leadership role and a "quality management" approach in ensuring the district offices receive adequate support services to fulfill their charge to provide efficient and effective client services.

In all, the committee adopted 31 recommendations, which are listed below.

- 1. DSS should continue its initiative to revise and update its notices and forms. DSS should first assess which notices are the most problematic in terms of creating client confusion and have the greatest impact on their eligibility. DSS should proceed with its modifications to the redetermination issuance process. Staff also recommends the redetermination forms be modified. These notices to the client should be more concise, with the date of return clearly indicated – not in the same type and size text as the body of the letter.**
 - **Where possible, supervisors and trainers should bring training in "time management" and "priority-setting" directly to the workers. The training should be designed for those who need it, and offered as part of the everyday work experience. DSS should also help workers prioritize their work, which might include color-coding redetermination envelopes by month so that workers can act on the ones about to terminate first.**
 - **DSS should form a work group, with representatives of eligibility workers, supervisors, and the MIS division, to identify which worker alerts could be eliminated. The standard should be "helpfulness to the worker", and include only those alerts that, unless acted upon, will impact a client's eligibility. DSS must ensure workers use all means to keep both case files, including EMS case notes, and client information current.**
- 2. Supervisors need to closely monitor all overdue redetermination cases to ensure workers are obtaining the required information in a timely manner, and that redeterminations are not extended indefinitely. Alternatively, if a redetermination case**

becomes overdue for three consecutive months, the case should be automatically discontinued.

3. **DSS Regional Administrators need to explore reasons for office variation in overdue applications and redeterminations, and denial rates. Further, now that DSS efforts at equalizing staff and supervisors among offices have been put in place, agency management should monitor whether these variations continue. DSS management needs to identify the qualitative factors that foster good performance in some offices, and attempt to implement them in all offices. DSS should report on its findings to the Human Services Committee by July 1, 2005.**
4. **DSS should require, as part of the state's Medicaid managed care enrollment broker contract, that the enrollment broker review its enrollment data and submit address changes electronically to a central location within DSS, such as the Administrative Services Division. A DSS data processing technician located in the central office should be responsible for regularly updating address changes on the department's eligibility management system. Once the address changes have been made in EMS, all applicable eligibility staff should be notified of the changes.**
5. **Restore 14 more positions of the ERIP losses in the eligibility classes.**
6. **DSS should develop uniform signs in English and Spanish, stating regular hours of operation and dedicated processing times, and that offices are open during processing times, but transactions are limited. The signs should be posted in all the offices, the DSS website, and in any brochures on office and program services.**
7. **DSS should develop a campaign to promote mailing all applications and other forms to the appropriate office when a face-to-face interview is not required. Simple steps might help, like a cover sheet with the application noting in large text that the application can be mailed, rather than delivered, to a DSS office.**
8. **C.G.S. Sec. 17b-277 should be amended to eliminate presumptive eligibility and require DSS implement a system of "expedited eligibility" determination for pregnant women instead.**
 - **DSS uniform policies and procedures should reflect the wording change from "presumptive eligibility" to "expedited eligibility." DSS should also require applications for pregnant women considered non-emergencies be processed within five days once all required information is received from the applicant. All emergency applications should be processed using a one-day standard.**
 - **DSS should begin routinely analyzing the length of time it takes to process applications for pregnant women to ensure applications are processed in accordance with the department's specified policy.**

- **DSS should review all policies and procedures regarding expedited processing of pregnant women applications to ensure they are applicable, coordinated, and understood by eligibility staff. The department should also ensure all appropriate staff are continually kept informed of the department's policies and procedures regarding expedited eligibility for pregnant women, including any changes or updates.**
- 9. DSS should develop a system (e.g., using a color-coded application/envelope) to clearly identify applications submitted by pregnant women for medical assistance as a way to differentiate such applications from others received by the department.**
 - 10. DSS should increase its efforts with outreach workers and other qualified entities to review how to assist clients with completing applications to ensure the necessary information is submitted to DSS allowing quicker eligibility determinations.**
 - 11. DSS should emphasize to providers that complete applications are a key component to determining eligibility and having services covered for payment.**
 - 12. DSS should develop a policy requiring eligibility workers to inform applicants who have not submitted complete applications of any outstanding information required to complete their applications so eligibility decisions can be made promptly.**
 - 13. The legislature should re-establish a program of presumptive eligibility for children by July 1, 2005. Funding should be restored to DSS to fully implement the program.**
 - **The presumptive eligibility process administered by DSS should be modified to better ensure clients/qualified entities fulfill application requirements for regular Medicaid at the same time presumptive eligibility is determined. At a minimum, a single application should be used to: 1) quickly determine presumptive eligibility by the qualified entity; and 2) transmit the application and necessary information to DSS allowing the department to determine eligibility for HUSKY A benefits.**
 - 14. DSS should develop a request for proposals for a new contract for the department's HUSKY single point of entry and enrollment broker services currently provided by an outside vendor. DSS should also decide whether or not to separate the single point of entry and enrollment broker functions, which are combined in the present contract.**
 - 15. The single point of entry provider contract language for the HUSKY program should include: formalized performance standards; specified time limits required to process HUSKY applications; and an established level of review required by the vendor to assess eligibility as either HUSKY A or HUSKY B prior to referring an application to**

DSS, measured by the percent of complete application submitted to DSS for eligibility determination.

16. DSS should place a maximum of five years on the life of any new HUSKY single point of entry provider and/or enrollment broker contract(s). Any new contract(s) should include a specified process for identifying and correcting non-compliance with contract terms, including corrective action plans and punitive sanctions, when applicable.
17. DSS should regularly monitor the performance of the state's single point of entry provider for the HUSKY program – with an emphasis on application processing – to ensure contract terms and performance standards are consistently achieved.
18. The state's enrollment broker should be responsible for implementing the revised change of address system.
19. DSS should place a limit on the number of times Medicaid Managed Care clients may change managed care plans to once every six months. More frequent changes may be made if the client has a “good cause” reason to make a plan change, as determined by DSS.
20. DSS, working with the governor's office and the legislature's Human Services Committee, should submit a waiver request to the Centers for Medicare and Medicaid Services (CMS) extending the standard of promptness for long-term care applications to 90 days. Longer-term, DSS, the governor's office and the legislature should also begin working to have the regulations concerning standard of promptness, as it applies to long-term care, changed.
21. Eligibility workers assigned to long-term care cases should make early contact with the client, or whoever is making the application on the client's behalf. This will help the client know who at DSS is reviewing the case. The eligibility worker should explain at the outset that the process is complex, time-consuming, and heavily reliant on the review of financial and asset documents.
22. The policy setting the guidelines in investigating applicant checking accounts should be changed to require workers to only question amounts that might affect eligibility.
23. DSS should submit a waiver request to CMS to allow a two-year redetermination period for long-term care clients.
24. DSS should begin taking the initial planning steps for an EMS replacement now. First, the department should attempt to secure funding through a variety of sources: federal funding, grants, or matching private grants with state funding. Second, by July 1, 2005, DSS should designate a planning team, with representatives of “end users” (i.e., eligibility workers), DSS and DoIT management information personnel, as well as agency management and budget personnel, to begin a comprehensive needs assessment as a foundation for system planning. These steps should occur before a request for proposal is developed, and consultants secured.

- 25. DSS should continue its process of upgrading notices to include programs in addition to family Medicaid. DSS should also begin a review of the worker alerts generated by EMS, with the objective of keeping only those that are helpful to workers.**
- 26. Both initiatives should be implemented as long-term, in-house projects, within allowable resources. Project teams developed to examine EMS alerts should include eligibility workers who can help decide which “alerts” are of no value in managing workload. Further, a prioritization system -- those with greatest impact on client eligibility given the highest priority-- could be established for those alerts maintained on the system.**
- 27. DSS should complete the de-linking of the TFA and Medicaid eligibility in the EMS system by March 1, 2005. Other EMS links between other client assistance eligibility (e.g., food stamps) and Medicaid should be completed by October 1, 2005.**
- 28. By March 1, 2005, DSS should begin the planning and development for online access for HUSKY applications only. The system should consist of an automated transfer of the application data to the EMS system. The online application should provide electronic signature capabilities, and the transmittal should be blocked if essential information and a signature are missing.**
 - As part of that initial phase, DSS should estimate the costs for such a system and explore matching any state funding with private grant monies, and also determine the amount of federal reimbursement available.**
 - The online application should be transmitted through Internet access. Security measures should be developed as part of the planning and development phase.**
 - By March 1, 2006, the system should be ready to pilot. The department should work with its community partners – the CAP agencies, qualified entities, hospitals, Voices for Children, and other advocacy groups – to promote the use of such a system. By July 1, 2006, the system should be available statewide.**
- 29. As contractual arrangements for police coverage in the local offices expire, DSS should be required to substantiate the need for their continuation to the Office of Policy and Management and the Appropriations sub-committee responsible for DSS financial oversight.**
- 30. DSS Central Office Operations should take a greater leadership role in providing support services in the district offices. This should include, but not be limited, to:**

- **Assuring vendor servicing of the phone systems to upgrade software, maximize capacity of phone message capabilities, standardizing phone messages at each office, and tracking phone volume. Further, DSS central operations, through the phone system vendors, should provide better training to district office personnel so they can use the phone system to provide maximum benefit and service.**

- **Working with DSS regional administrators and district office managers to ensure that certain service standards are met in each office, including: uniform, good quality signage in English and Spanish; availability of drop boxes for clients to submit materials after hours; comfortable chairs; and good lighting in the waiting areas.**

- **Intervening with other agencies, like the U.S. Postal Service, to ensure that basic services, such as mail pick-up, are provided. Also, other services provided under contract, like the archiving of files, should be provided promptly. Further, if offices lack clerical staff to prune files and box them, some workable solution must be found to address that issue, including:**
 - **a swat team be formed of clerical staff from several offices and the central office to go from office to office filing and boxing for certain days for several weeks until offices are caught up; or**
 - **one day each calendar quarter could be designated (in addition to dedicated processing times) as “file day,” where designated staff in an office perform just that function.**

- **Improving internal electronic communication and reporting so there is less reliance on paper. Where possible, the Central Operations Unit should also work with outside institutions, like banks, to increase capabilities for electronic transfer of documents.**

31. Communicating to the district offices exactly what support services are available – like the courier delivery—and how to access those services. Central Office Operations should assume more of a leadership role and a “quality management approach” by continuously working with district office managers to improve their facilities and work processes so that core services – determine eligibility, serve clients, issue the appropriate benefits – are provided efficiently.

Mixing Populations In State Elderly/Disabled Housing Projects (2004): Digest

Connecticut's first state-funded elderly/disabled housing projects were authorized in 1959 and targeted initially for persons over age 65 who were unable to afford suitable housing without financial assistance. Legislation enacted in 1961 amended the definition of elderly for the state elderly/disabled housing program to include low-income persons certified by the federal Social Security Administration as being totally disabled. While younger disabled individuals have been eligible to reside in state elderly housing for over 40 years, the projects were occupied primarily by elderly persons until the mid-1980s. As the number of younger persons with disabilities living in state elderly/disabled housing projects has grown, the problems associated with mixing tenant populations with different styles of living also have occurred with more frequency.

In March 2004, the Legislative Program Review and Investigations Committee was asked by more than 60 members of the General Assembly to review the state policy of non-elderly disabled individuals residing in state-funded elderly/disabled housing projects. The committee authorized a study focused on examining the problems arising from this state housing policy and exploring options and alternatives for resolving them. The primary purpose of the committee's study was two-fold: examine the nature and extent of problems arising from this policy; and explore options and alternatives for resolving them.

Committee research revealed the policy has both social and financial implications. The policy's social impact concerns the reported negative incidents resulting from young disabled persons living in the same projects with elderly individuals. Over the years, there has been much discussion, although little documentation, of problems between the two tenant groups, ranging from lifestyle clashes and fears based on misconceptions about mental illness, to actual physical conflicts, disruptive behaviors, and criminal activities.

The financial impact of the policy is related to the very low incomes and potentially longer tenures of young disabled residents as well as the growing presence of this group on project waiting lists. In combination, these trends could present a serious challenge to the financial viability of state elderly/disabled projects. The same trends may also result in less access to this affordable and accessible housing resource by low-income persons of any age.

Many factors in addition to policy, management, and funding matters contribute to the social and financial problems found in state elderly/disabled housing, including one major issue beyond the scope of this study - the state's affordable housing crisis - and another beyond the control of any legislation - resident attitudes. Solutions examined by the committee, therefore, were also multi-faceted. On December 21, 2004, the committee adopted a series of proposals for addressing negative incidents and economics within the state projects through: more effective housing management tools; better support from and collaboration among state agencies; and stronger planning, oversight, and leadership by the state's lead housing agency.

The committee also considered a spectrum of policy options related to changes in tenant eligibility. Each option has benefits and drawbacks in terms of addressing social and financial problems and, to varying degrees, may be subject to legal challenges. In addition, many of the

policy and administrative solutions would require more state resources and some would entail significant funding increases. The program review committee did not endorse any one option: however, it did adopt a recommendation that \$10 million be appropriated annually to create additional affordable housing for low-income elderly and disabled persons.

Findings And Recommendations

Social Impact

- Of the 80 housing authorities responding to the committee's survey, 57 (71%) reported the occurrence of at least one negative incident (i.e., an occurrence that disrupts the safe and secure enjoyment of home and/or property) in the previous six months; 23 (29%) reported having no such incidents.
- Based on data from the committee survey, the portion of tenants, both young and old, involved in negative incidents at state elderly/disabled housing projects is relatively small (6%). As a group, younger persons with disabilities were more likely than elderly tenants to be involved in negative incidents.
- Of the total 1,103 negative incidents reported by the 57 housing authorities, almost three-quarters (819) fell into the broad category of lease violations. Another 153 were incidents identified as "serious" and 131 were complaints of inappropriate social behavior. Approximately 17 percent of the total incidents required police intervention.
- The state's operating manual for subsidized housing outlines the eligibility requirements; however, it does not address tenant screening. The existing housing manual for the management of state financed housing is in need of updating and does not address certain essential topics.

1. DECD, in conjunction with CHFA, should revise and update the contents of the operating manual for state funded elderly/disabled housing programs no later than January 1, 2006. Specifically, DECD, in consultation with the state Commission on Human Rights and Opportunities (CHRO), should develop guidelines for tenant selection and suitability that are in accordance with all relevant state and federal laws. In addition, DECD should also seek input from social service agencies such as DMHAS, DMR, and DSS in the development of such screening criteria. Furthermore, the manual should address the need for a policy and documentation of negative incidents.

- Inconsistencies in the way wait lists are created and maintained make it difficult to use wait list data for planning or needs assessment purposes and may result in inequitable treatment of applicants. Data are not centrally compiled and local authority policies and procedures are not monitored.
- DECD provides little guidance on waiting lists and tenant selection policies for state elderly/disabled housing to local housing policies.

2. The DECD operating manual for housing should include the creation and maintenance of wait lists and training regarding state affirmative fair housing requirements including but not limited to the use, maintenance, and selection from wait lists be reinstated.

- More aggressive lease enforcement is needed. Documentation, such as a tenant's signed acknowledgement, that he or she has been informed of obligations and consequences of non-compliance, is also important if and when eviction proceedings are initiated.
- Housing authorities would benefit from more guidance on ways to build stronger eviction cases such as the importance and methods of complaint documentation, techniques to gather and retain witnesses, and mediation strategies. In addition, suggestions on pooling resources to purchase legal services or selecting legal counsel would be beneficial.

3. DECD, in conjunction with CHFA, should consult with Connecticut housing court specialists and the Connecticut association of housing authorities on developing possible seminars or materials on eviction proceedings.

- Acknowledging budget constraints, housing authorities must be allowed to increase the presence of management and develop adequate security to promote a sense of personal safety for their residents. An increased presence of housing authority staff may be necessary to be kept informed of potential problem situations that may not be apparent during the day.
- The absence of a unified approach by law enforcement and community support services providers in responding to calls for service raises concern for the safety and well being of residents at mixed population housing developments.

4. Local housing authority plans for safety and security measures should be part of the required management plan submitted annually for review. In addition, housing authorities should be encouraged to establish rapport with local police departments outlining respective roles and responsibilities in responding to negative incidents.

Resident Service Coordinators

- Recognizing the need to link tenants with appropriate social services, the legislature created the Resident Service Coordinator (RSC) program in 1998. DECD has only been able to provide grants to the housing authorities that originally requested funding although others might benefit from the availability of an RSC.
- Although the program was not intended to be limited to elderly residents, the current RSC job description only references services to the elderly.

- RSCs in state funded elderly housing are not required to have any initial or ongoing training for their position, particularly in regard to conducting client needs assessments.
 - There is limited oversight of the RSC program; DECD primarily reviews financial compliance. RSC quarterly and year-end activity reports are not used for program monitoring; report data are frequently inconsistent and incomplete.
5. **DECD should determine the number of additional housing authorities that would be interested in applying for a resident service coordinator grant and based on this information submit an appropriation request to the legislature for FY 07.**
 6. **By July 1, 2005, DECD, in consultation with agencies that provide social services to elderly and non-elderly disabled populations such as DMHAS, DSS, and DMR, should reassess the job description and accompanying qualifications for resident service coordinators to reflect the services needed by all groups residing in state funded elderly/disabled housing. In addition, DECD, in consultation with DMHAS, DMR, and DSS, should establish the number of hours and salary rate reflecting the level of skills and qualifications needed to adequately service this housing population.**
 7. **DECD should enlist professionals from mental health and other service agencies to train resident service coordinators and housing authority staff to better understand the needs of elderly residents as well as persons with disability and related problems.**
 8. **DECD should create a single statewide manager position for the resident service coordinator program. At a minimum, this individual should:**
 - **assist in measuring housing authority interest to re-open availability of the RSC grants;**
 - **revise the content and format of the existing RSC reporting requirements;**
 - **periodically monitor the activities of resident service coordinators through a review of the newly revised reporting instrument;**
 - **provide technical assistance and guidance to RSCs in their roles and responsibilities including but not limited to the assessment of resident needs;**
 - **evaluate the training needs of the currently employed resident service coordinators and arrange on-going training for all resident service coordinators as needed;**
 - **act as a liaison between resident service coordinators and the social service agencies to further collaboration efforts as well as develop opportunities for resident education and awareness of disabilities; and**

- **prepare and maintain a resource guide including but not limited to identifying contact information and available services from the potential social service agencies across the state.**

- Housing authorities and resident service coordinators must be able to tap into existing resources in the community and receive timely intervention from mental health and social service agencies in their communities when needed. Survey results and interviews with housing officials and staff found that relationships with social service providers were less than optimal. Prior efforts to encourage collaboration have waned.

9. Renewed efforts of collaboration by the current DMHAS administration are a positive step in the right direction that should be continued. Furthermore, other state agencies charged with providing social services to elderly and non-elderly disabled populations such as DMR and DSS should assist housing authorities in identifying and accessing available social services offered through their agencies. Each agency should consider appointing a lead contact person to establish and maintain a regular channel of communication with housing authorities. At a minimum, each agency should develop a plan that details outreach efforts, available services, and crisis intervention. Each agency must report a summary of its collaboration efforts with housing authorities to the legislative committees with cognizance of housing matters no later than October 1, 2005.

10. DMHAS through its mental health providers should take an active role in training housing authority staff and in helping residents breakdown stereotypes about mental illness through presentations or materials distributed to public housing communities.

Financial Impact

- Overall, evidence gathered supports the concerns housing authority officials have expressed about the financial viability of state elderly/disabled housing projects.
- Preliminary results from CHFA financial reviews show increasing operating expenses, lower tenant rent revenues, and significant capital improvement needs among the 199 state elderly/disabled housing projects.
- The analysis of actual rent payments shows both groups served by state elderly/disabled housing projects have limited incomes but younger disabled tenants as a group are poorer and provide housing authorities with less rent revenue.
- From the waiting list data for state elderly/disabled housing projects, it seems likely young disabled tenants will become an increasingly larger portion of the residents of state elderly/disabled housing projects.
- As a group, younger disabled residents need subsidies to afford project base rents more than the population of elderly tenants.

- To date, there has been no comprehensive assessment of current or future needs for tenant rental assistance or other types of financial support required for the state's portfolio of elderly/disabled housing projects.

11. DECD and CHFA should jointly conduct a comprehensive assessment of current and future needs for rental assistance or other types of financial support for the state's elderly/disabled housing portfolio each year. The results of the first such analysis should be presented to the legislature committees of cognizance over housing matters no later than October 1, 2005.

Other Considerations

- Affordable housing is in short supply in Connecticut. Overall, housing options for very low-income individuals, particularly those needing accessible units, are lacking.
- Although there are thousands of assisted units in federal public housing projects and developments financed by HUD and CHFA programs, generally few are vacant and waiting lists are long.
- Demand for tenant rental assistance for private market units, such as federal housing choice vouchers and the state rental assistance program, also far in exceeds supply.
- Supportive housing initiatives and other DMHAS residential programs are increasing affordable housing options for low-income persons with mental illness and substance addiction disabilities; the amount of current and planned supportive housing units only begin to address the needs of this population.
- Population trends indicate the current need for subsidized housing by both low-income elderly and disabled persons will continue and probably grow.
- Increasing numbers of young disabled applicants and residents, combined with lower turnover rates, means fewer state elderly/disabled units will be available over time for any new tenants.
- Information critical to effective planning, policy development, and resource allocation is not collected in a single, complete source.
- Neither current housing inventories nor the statutorily mandated accessible housing registry is of much help in matching low-income persons with affordable, accessible housing units. The state registry of accessible housing, at best, is a partial inventory of units accessible primarily to persons with physical disabilities, regardless of affordability.

12. The state must take action to expand housing opportunities for low-income elderly and disabled individuals by promoting more quality affordable housing for all residents. As a first step, decd, the state's lead housing agency, should develop and maintain a comprehensive inventory of all publicly assisted housing in the state beginning July 1, 2006. At a minimum, the inventory should identify all existing assisted rental units by type and funding source, and include information on tenant eligibility, rents charged,

available subsidies, occupancy and vacancy rates, waiting lists, and accessibility features. To assist in the department's efforts in compiling a complete inventory, the statutes should be amended to require property owners, both public and private, to report all accessible housing units to the state registry.

Policy Options

- Over the years, the legislature has considered a number of proposals to change the tenant composition of the state projects to address concerns about conflicts and safety.
- As part of the study, committee staff evaluated the social and financial impact, as well as the legal ramifications, of a range of alternative policies for state elderly/disabled housing.
- Five possible options were identified and assessed: Current Policy with Stronger Management Tools; Designation Plan; Percentage Goals; Total Age Restriction; and Partial Age Restriction.
- No option provides a satisfactory remedy for every concern about state elderly/disabled housing. Each has benefits and drawbacks and which is the "best" alternative depends largely on the priority placed on conflicting policy goals.

13. Ten million dollars shall be appropriated annually to create additional affordable housing for low-income elderly and disabled persons.

Pharmacy Regulation in Connecticut (2004): Digest

The purpose of pharmacy regulation is to provide government oversight in an area deemed in need of public health and safety assurances, as well as consumer protection. The legislature first recognized the need to regulate the practice of pharmacy in Connecticut in 1881 when it established an independent, three-member pharmacy commission authorized to license pharmacists. Over the years, the state has greatly expanded its regulatory role to encompass the manufacturing, distribution, prescribing, administration, and dispensing of prescription drugs. The Drug Control Division within the Department of Consumer Protection (DCP) is responsible for the enforcement of these state statutes related to prescription drugs..

Department of Consumer Protection

Location of function within state government. Currently, DCP and the Department of Public Health (DPH) have an informal unwritten agreement that DCP investigates all reports of health professionals suspected of diverting drugs for either their own use or for sale. *The committee found a lack of clear policies and procedures for investigations performed by DCP that involve DPH licensees and believes more formal lines of communication need to be established.*

1. The Department of Consumer Protection and the Department of Public Health should establish a Memorandum of Understanding (MOU) in order to delineate their respective responsibilities with regard to the investigation of health care professionals licensed by the Department of Public Health. The MOU will assist each agency in protecting the public interest, ensuring maximum efficiency and benefit to the state of Connecticut, and minimizing any duplication of effort. The MOU should include, but not be limited to:

- **which agency has primary jurisdiction over prescription drug diversion investigations;**
- **the types of cases DPH should refer to DCP and the referral process to be used;**
- **the types of cases DCP should refer to DPH for investigation and the referral process to be used;**
- **how results of an investigation should be forwarded from one agency to another; and**
- **how action(s) taken by a health board concerning a case should be reported to the DCP.**

Automated systems. A major deficiency identified by this review is the lack of reliable automated information systems to capture the activities performed by the Drug Control Division. Currently, there are multiple systems operating -- a licensing system used departmentwide that identifies all licensees of the department, and a variety of systems used internally by the Drug Control Division. *The committee found that all of the systems are primarily used as rosters to track specific individuals or cases rather than as analytical and evaluation tools to manage programs.*

Although a departmentwide effort has been underway since the late 1990s to eliminate the need for multiple databases, to date, only licensing information has been brought online. *The department's plan is to use a single system to track licensing, enforcement, and revenue information, although the committee found no formal written document that describes this initiative or provides a time frame for the various phases to be undertaken.*

2. The Department of Consumer Protection should make improving its automated information systems a priority. It should establish a formal management team charged with: 1) identifying each division's management information needs; and 2) developing a plan and timetable for correcting and expanding its current systems by July 2005. For both inspection and investigation activities, the system should provide the Drug Control Division with the ability to identify:

- **significant case milestones;**
- **case outcome information; and**
- **final case action.**

The system should be capable of generating routine and customized reports on inspection history and information related to the division's investigation activities.

On January 1, 2006, January 1, 2007, and January 1, 2008, DCP shall submit to the legislature a report summarizing major activities of the division, including information on the number and type of pharmacy inspections and investigations conducted and the results. With respect to enforcement activity, the report should include but not be limited to data on:

- the number of investigations conducted;
- the reason for each investigation;
- the subject of each investigation;
- the outcome of each investigation;
- action taken by any DPH health board or the Commission of Pharmacy (if applicable);
- action taken by the DCP commissioner on a practitioner's controlled substance registration, if applicable; and
- investigatory timeframes from case opening to final board or commission action.

Inspections. *Although the law specifically requires the commissioner of DCP to inspect correctional facilities with respect to the handling of drugs, the committee found these facilities are no longer routinely inspected.* The committee believes routine inspections of correctional facilities are an important function and should be performed as required by law. Therefore, the committee recommends:

3. **the Department of Consumer Protection conduct inspections of correctional facilities as required under C.G.S. Sec. 20-577(b). On January 1, 2006, January 1, 2007, and January 1, 2008, the department should submit to the Legislative Program Review and Investigations Committee a report identifying the number of correctional facilities inspected within the previous calendar year.**

The Department of Public Health, as part of its biennial licensing process, inspects a variety of institutions including hospitals, long-term care facilities, and community health centers. As part of the inspection process, DPH examines prescription drug ordering, storage, security and recordkeeping, as well as the dispensing and administering of pharmaceuticals. The committee believes routine inspections of these facilities by DCP duplicate the inspections already performed by DPH as part of its licensing process, and statutory responsibility for conducting pharmacy inspections should be placed within the licensing agency. Therefore, the committee recommends:

4. **state statutes shall be amended so that inspections of facilities licensed by the Department of Public Health related to the handling of prescription drugs be completed by DPH as part of its inspection process. Any deficiencies identified by**

DPH with respect to the handling of prescription drugs shall be forwarded to DCP for enforcement action.

Retail pharmacies. Routine inspections of retail pharmacies typically last three to four hours and revolve around cleanliness of the pharmacy area, use of proper equipment, maintenance of appropriate prescription records, clearance of expired drugs from shelves, and other compliance issues. A standardized check-off inspection form is used along with a 13-page description that identifies in detail each requirement and a cover sheet that lists descriptive information about the pharmacy. The form has space for an agent to note any recommendations or deficiencies issued, and for signatures of the staff conducting the inspection and the pharmacist on duty. The completed form is given to the pharmacist on duty at the end of the inspection, and the agent conducts an exit interview explaining any violations found as well as information on how to correct them, and the pharmacist is asked to sign off on the inspection form. *The committee found:*

- *an outdated inspection form - the form itself needs to be updated because many of the items are no longer applicable;*
- *agent variation:*
 - *the face sheet of the inspection form and some of the items on the form itself were completed differently depending on the agent conducting the inspection; and*
 - *some agents will issue an “advisement” instead of a deficiency (which is considered more serious), although no criteria exists for when an advisement is sufficient;*
- *no methodology for sampling of pharmacy records - although the inspection involves a review of actual prescriptions for compliance with the law, no methodology is used to sample these records to control for differing numbers of prescriptions received by the pharmacy;*
- *no assurance by the pharmacy that deficiencies have been addressed - if deficiencies are issued, there is no requirement that the pharmacy manager submit a plan of correction or letter stating that all deficiencies have been corrected; and*
- *no criteria for mandatory re-inspections - the decision is up to the individual inspector.*

5. C.G.S. Sec. 20-577 shall be amended to require all retail pharmacies located in the community be inspected on a four-year cycle.

The Drug Control Division should revise the form used to inspect retail pharmacies to reflect current practices in the field. Such revisions should include provisions to ensure the use of automated dispensing devices and the use of electronic prescribing comply with any applicable laws or division protocols.

The division shall develop a methodology to sample a specific number of actual prescriptions for compliance with state laws based on the annual number of prescriptions received by the pharmacy.

The division should establish criteria, based on the number and/or severity of deficiencies issued, that will automatically trigger a re-inspection. Any pharmacy that has received a deficiency shall provide in writing, within 10 days of the deficiency being issued, a plan of correction or evidence that the deficiency has been corrected.

Division supervisors shall periodically review a random sample of inspection forms for completeness and consistency.

Investigations. Overall, the committee found the documentation of drug diversion investigations contained in the case files was excellent up to the conclusion of the investigation by the division. *However, although case documentation was excellent up to the point of referral, the file usually contained no case outcome information after it was referred to either a DPH board or the pharmacy commission.*

- 6. The Memorandum of Understanding between the Department of Public Health and the Department of Consumer Protection recommended above, should contain a requirement that a summary of any investigation conducted by DPH or any action taken by a health board under DPH that involves allegations of prescription drug abuse be provided to the Drug Control Division for inclusion in its database.**

The Legal Office within DCP shall forward a copy of any action taken by the pharmacy commission or by the DCP commissioner, if the action is against the controlled substance registration of a licensed health professional with prescribing authority, to the Drug Control Division, for inclusion in its case files.

An agent in the Drug Control Division who currently serves almost full-time as the administrator to the pharmacy commission teaches the error prevention mandated by the pharmacy commission for pharmacists who have made prescription drug errors. The class is taught twice a year. No fee is charged to enroll in the class. The program review committee believes the error prevention class should be offered through organizations that provide other continuing education opportunities, given that staff resources in the Drug Control Division are limited.

- 7. The Department of Consumer Protection should outsource the class on prevention of prescription drug error class imposed by the Commission of Pharmacy on pharmacists who commit a medication error to an organization that is accredited by the commission.**

Destruction of controlled substances in nursing homes. Nursing homes call the Drug Control Division staff when they have excess stock of controlled substances and request the staff come to the facilities to destroy these drugs. In FY 03, division staff made 649 visits to nursing homes to destroy excess stock and 859 visits in FY 04. Based on the committee's calculations, if

each drug destruction visit takes one hour (including driving time), over ten weeks of a full-time staff person's time per year is allocated to performing this activity. Given the limited staff resources, this activity could be performed directly by the nursing home, as it is in Massachusetts.

8. **C.G.S. Sec. 21a-262 shall be amended so that two or more individuals licensed by either the Department of Public Health or the Department of Consumer Protection and affiliated with a long-term care facility may jointly dispose of excess stock of controlled substances. Only the following individuals can witness and perform the destruction: a nursing home administrator, a pharmacist consultant, a director of nursing services, or an assistant director of nursing services. The facility shall maintain documentation of each destruction performed, and such records shall be maintained in a separate log on a form developed by the Department of Consumer Protection. All records shall be maintained for a period of three years.**
9. **The Department of Consumer Protection, in consultation with the Department of Social Services and the Commission of Pharmacy, shall study the possible use of automated dispensing machines at long-term care facilities and provide recommendations to the legislative committees of cognizance by January 1, 2006.**

Commission of Pharmacy

- *The committee found one commissioner, appointed as one of the four pharmacists to sit on the commission, is actually semi-retired. The statute requires that pharmacists on the commission be employed full-time as pharmacists.*
- *The committee found that although the average length of service was 10 years, one commissioner has sat on the commission for more than 21 years and has served as commission chairperson for 15 of those years. A second commissioner has been on the commission for over 15 years.*

Commission activities. No central database exists regarding commission actions, and no outcome information is routinely generated that aggregates the types of sanctions imposed by the commission. Although the committee believes that automating enforcement activity will begin to address this deficiency, a quarterly summary of actions taken by the commission, similar to the report published by DPH, should be published in the meantime.

10. **The Department of Consumer Protection shall compile a quarterly regulatory action report and publish it on its website. The report should contain any disciplinary action imposed on individuals with controlled substance registrations by the DCP commissioner and on pharmacists and pharmacies sanctioned by the pharmacy commission and the reason for the action.**

Commission resources. Currently, one staff member from the Drug Control Division serves almost full-time as the pharmacy commission administrator. The administrator's job is

largely paper driven and is focused on verifying that individuals and businesses seeking licensure meet the requirements, ensuring pharmacists' continuing education requirements have been met each year, attending commission meetings and recording any votes that occur, and tracking items pending before the commission. The committee believes that using an individual who is a licensed pharmacist as the commission's clerk is not the best use of resources. *The committee finds that an individual with much less education and experience could perform this position*

Collaborative Practice

Collaborative Practice Agreements refer to arrangements under which prescribers (generally physicians) authorize pharmacists to engage in specified activities including adjusting and/or initiating drug therapy. Several states permit collaborative practice agreements in the community setting. Connecticut, however, restricts these agreements to inpatient hospital settings and long-term care facilities where they are governed by patient-specific written protocols by the physician treating the patient

Based on the widespread use of community pharmacists in other states as active participants in helping to increase immunization rates, the program review committee recommends a program similar to Massachusetts be established. Over 30 other states allow pharmacists to perform this function, and the committee could find no literature indicating any problems with this expansion in pharmacists' scope of practice. In addition, given the reports of shortages of health care workers trained in providing immunizations in case of a public health emergency, beginning to mobilize nontraditional providers to respond, such as pharmacists, would help the state meet its public health emergency preparedness goals.

11. A licensed pharmacist may administer adult influenza vaccinations provided that:

- **such administration is conducted pursuant to the order of a practitioner; and**
- **such activity is conducted in accordance with regulations adopted by the Department of Consumer Protection, in consultation with the Department of Public Health and the Commission of Pharmacy, which shall include, but not be limited to, requirements that:**
 - **all such courses must, at a minimum, meet U.S. Centers for Disease Control and Prevention guidelines, and be accredited by the Accreditation Council for Pharmacist Education, or a similar health authority or professional body; and**
 - **include courses in pre-administration education and screening, vaccine storage and handling, administration of medication, record keeping and reporting of adverse events.**

Preparedness for Public Health Emergencies (2004): Digest

On March 25, 2004, the Legislative Program Review and Investigations Committee voted to study the status of Connecticut's preparedness program for public health emergencies. In particular, the committee wanted to evaluate recent assessment, planning, and implementation activities related to improving the public health infrastructure in order to prepare for and respond to acts of bioterrorism, infectious disease outbreaks, and other similar serious public health threats.

Two important elements of a public health emergency are the unpredictability of its onset and the potential it has to affect the well-being of a large number of people. Because public health risks may change over time, ideally public health preparedness efforts reflect an "all hazards" approach that enables responders to handle many different kinds of incidents.

A successful preparedness effort is based on sufficient resources to allow specific tasks to be performed, the existence of appropriate legal authority, and tested plans that outline who is responsible for what tasks. There also needs to be a recognition that while a comprehensive response may involve all levels of government, initially it is those at the local level who must handle the situation. Therefore, interagency communication and coordination are essential.

Since all elements of a preparedness program must be maintained at a certain level of readiness indefinitely, one can never say the job of being prepared is complete. Indeed, the federal Centers for Disease Control and Prevention (CDC) describes public health preparedness for emergencies as a *continuous* process of improving the health system's capacity to detect, respond to, recover from, and mitigate the consequences of public health emergencies.

Since 2001, Connecticut has received approximately \$56 million for health related bioterrorism preparedness activities from CDC and the Health Resources and Services Administration (HRSA). An indirect benefit of this funding has been the opportunity it provides to improve the basic public health infrastructure in the state, which supports routine public health services as well as emergency preparedness efforts.

The main public health preparedness agency at the state level is the Department of Public Health (DPH), which is the grant recipient for a majority of the federal bioterrorism dollars the state receives under the CDC and HRSA grant programs. Other key state agencies involved in emergency preparedness are the Office of Emergency Management and the Division of Homeland Security, both of which are being merged into a new Department of Emergency Management and Homeland Security (DEMHS) in January 2005.

At the regional and local level, a wide range of agencies and organizations are involved in public health preparedness and response efforts. These groups include local public health departments, acute care hospitals and other health care providers, various first responders such as emergency medical service (EMS) providers, and municipal officials.

The process of preparing for public health emergencies involves completion of a variety of activities, ranging from identifying vulnerabilities to ensuring a coordinated emergency

response. Because preparedness is a fluid condition, going through the stages of the process just once is not enough. Ideally, after all of the stages are completed the first time, the process should repeat itself routinely, adjusting the scale of activities in each segment based on the work completed in the initial effort and accommodating new threats and information.

The program review committee's study primarily focused on two aspects of preparedness. One was the actual process and organization used to build capacity. The other was the current outcome of the process as evidenced by specific elements (e.g., plans, procedures, training, and equipment) that comprise preparedness for public health emergencies. In addition to describing the current status of Connecticut's preparedness program, the report recommends specific activities in areas where the committee believes additional changes or improvements are needed. The findings and recommendations approved by the committee are listed below, with the recommendations in bold type.

Findings And Recommendations

Overall, the program review committee found the Department of Public Health and its related health partners have made significant progress since the fall of 2001 in improving the state's ability to prepare for, respond to, and recover from various types of public health emergencies. However, a number of components that would enhance these efforts need to be further developed, especially as preparedness efforts shift from planning to system performance.

Planning and Grant Process

- The Department of Public Health's overall public health preparedness planning and grant development processes demonstrate an inclusive and collaborative goal setting and monitoring effort across governmental levels and among public and private partners. However, resource allocation decisions are closely controlled by DPH and overall direction to hospitals and local health departments does not always appear to be clear.

Assessments

- As of November 2004, the Department of Public Health still had not completed all of the capacity assessments of specific health care entities required by the federal Centers for Disease Control and Prevention (CDC) and the Health Resources and Services Administration (HRSA) grants. The ones that have been done vary in comprehensiveness, and the department has no specific schedule for updating them, making it difficult to determine public health emergency preparedness levels statewide.

- 1. The Department of Public Health should establish a timetable for periodically updating capacity assessments of key public health emergency response partners such as the**

department itself, acute care hospitals, local health departments, and emergency medical services (EMS). DPH also should identify other statewide issues that have not been examined so far (e.g., hazards vulnerability to determine the probability of particular events occurring in Connecticut) and develop a schedule for completing assessments of those topics.

- The format and level of detail contained in the after-action reports prepared by Department of Public Health staff vary considerably. In addition, the department does not appear to have a formal process in place to ensure steps are taken to correct problems identified in the reports.
2. **The Department of Public Health should develop a standardized template for after-action reports prepared by agency staff. The document should indicate the format and minimum content of such reports. In addition, the department should disseminate the results of after-action reports more widely within the agency, implement corrective actions to reduce the reappearance of the same issues in the reports, and document the results of those efforts in a written report prepared annually for the Public Health Preparedness Advisory Committee.**

Key Public Health Plans

- Key core public health preparedness and response plans have been completed, though some incomplete plans that are required have been under development for years. Most operational plans are only beginning to be developed.

Planning Regions

- The various local, regional, and state entities working to develop broad and incident-specific public health emergency response plans in Connecticut do not all use the same geographic configurations, which complicates the process of integrating those plans.
3. **A long-term goal of the state of Connecticut should be the development of a single set of geographic boundaries for all emergency preparedness purposes. The Department of Public Health should work with the new Department of Emergency Management and Homeland Security on a proposal to implement this goal.**

Local Health Departments

- Recent efforts to prepare for public health emergencies in Connecticut have magnified the degree to which part-time local health departments lag behind full-time departments/districts in terms of capacity to respond.

- 4. The Department of Public Health and the Office of Policy and Management shall develop a strategy to improve the emergency response capacity of areas served by part-time health departments through the direct provision of additional resources or the creation of additional full-time local health districts. DPH shall submit the strategy to the committee of cognizance for public health matters by January 1, 2006.**

The Department of Public Health should also identify mechanisms to increase staff resources for any local health department that is involved in a public health emergency. DPH should consider whether the state's public health emergency powers need to be amended to facilitate such surge capacity.

Hospital Surge Capacity

- The state's hospitals have made progress on many of the basic elements of preparedness; however, some aspects of surge capacity are lacking.

Emergency Medical Services

- A number of initiatives relating to the preparedness of emergency medical service providers are incomplete or have not been timely. These include the capacity assessment of EMS, completion of a statewide mutual aid plan, and implementation of a mass casualty incident program.
- 5. The Department of Public Health should establish a timeline for the accomplishment of key tasks related to facilitating EMS preparedness for a public health emergency. The state should determine which EMS providers have personal protective equipment and have received the required training. In addition, the state should work jointly with municipalities to identify funding sources to pay for personal protective equipment training for those providers not trained. The state should include in its funding agreements with municipalities an assurance that the appropriate training and distribution of equipment has occurred.**

Mass Vaccination Clinics

- Progress has been made in developing the state's capacity to respond to a biological event (especially smallpox) where protective treatment (i.e., prophylaxis) is possible through the development of mass vaccination clinics and certain preparations in the state's hospitals, but preparedness efforts in this area still fall short of what is required.

Isolation and Confinement

- The governor and the Department of Public Health have statutory authority (P.A. 03-236) to restrict the movement of people within the state in the event of a public health emergency. Local health departments can restrict

movement within a narrower area. However, protocols regarding the manner in which such orders would be implemented have not been established. In addition, Connecticut is relying heavily on voluntary compliance with local confinement orders because the law carries no specific penalties for violation of those orders to isolate or quarantine people.

- 6. The Department of Public Health, in conjunction with the Department of Public Safety and the new Department of Emergency Management and Homeland Security, should establish protocols regarding the circumstances under which the movements of people within Connecticut will be restricted during a public health emergency. In addition, the departments should identify the mechanisms that will be used to enforce compliance with those protocols. If statutory changes are needed, DPH should submit language to the legislature regarding the changes.**

Laboratory Capacity

- The state's laboratory system and capabilities have improved, especially in the ability to handle and analyze biological agents. Chemical and radiological capabilities are still under development. The state's lab facilities and information technology system have far outlived their useful lives.

Education and Training

- Education and training opportunities for public health preparedness have been expanded and enhanced, though some improved management practices should be implemented.
- 7. The Department of Public Health should work to make all state-sponsored public health preparedness training and education opportunities accessible through a single management system that allows users to register on-line and tracks courses, users, test scores, and other information that would assist in identifying training gaps and managing the training program. DPH should evaluate overall satisfaction of potential and actual participants with the training programs offered, not just individual courses.**

Communications

- Extensive improvements have been made to public health emergency communications systems at the state and local level in Connecticut. However, additional enhancements are needed to achieve wider and more complete participation in the systems.
- 8. The Department of Public Health should develop a more frequent schedule for routinely testing the WANS, Nextel, and radio components of the statewide Health Alert Network. Based on the results of those tests, DPH should modify elements of the current system as needed to correct any weaknesses identified.**

- The Department of Public Health has not been timely in its implementation of a comprehensive risk communication program for public health emergencies, including outreach efforts aimed at the general public.

9. The Department of Public Health should accelerate efforts to select and implement a strategy for informing the general public about what to do in the event of a public health emergency, prior to such an event occurring. In addition, the department should complete any unfinished incident/disease specific information sheets for public health emergencies likely to occur in Connecticut.

Contract Process

- Payments to contractors under the CDC and HRSA grants have been delayed considerably, slowing implementation of preparedness activities for hospitals and local health departments.

Future Availability of Federal Funding

- Federal funding for public health preparedness has declined and will probably continue to diminish in the future. The Department of Public Health does not have a formal mechanism in place to guide the reallocation of resources if federal funding is reduced.

10. The Department of Public Health should develop a strategy to manage a potential reduction in federal funding that anticipates a decrease in overall expenditures and the need for additional state spending. As part of the strategy, the department should identify preparedness gaps and overlaps, define relevant performance measures for the public health emergency preparedness system, and develop spending priorities that target specific resources based on those measures.

Pre-Trial Diversion and Alternative Sanctions (2004): Digest

Since 1990, Connecticut has developed an extensive network of alternative incarceration options to be used in lieu of or to augment the traditional criminal sanctions of prison and probation. The primary goal of the state's alternative incarceration concept was clearly to help control the growth in the inmate population thus addressing prison overcrowding, which in the early 1990s had reach a crisis point. Beyond just an overcrowding remedy, it was intended to also better address offender rehabilitation, court backlog, and public safety concerns.

While these overall goals of the state's alternative incarceration policy have not changed, there has been a recent shift in focus from controlling prison overcrowding to reducing recidivism (Public Act 04-234). The underlying principle of the new strategy is that a reduction in the overall recidivism rate will also have a broader public safety impact by addressing the causes of crime rather than simply focusing on prison bed savings.

There are three categories of alternative incarceration options used in Connecticut. *Pre-trial diversion* is intended to redirect persons arrested for the first time for targeted offenses from further involvement with the criminal justice system by deferring prosecution and ultimately dismissing the charge upon successful compliance with certain court-ordered conditions. *Alternative sanction* is any punishment more restrictive than traditional probation and less punitive than incarceration. *Specialized courts* offer an alternative dispute resolution method to the standard criminal process of prosecution and sentencing.

As part of the committee's study, an analysis of the rate of recidivism among alternative incarceration program (AIP) clients was conducted. As part of the recidivism analysis, a profile of the AIP client population was developed.

Profile of Client Sample

- The average AIP client was 29 years old and male.
- The total AIP population was almost evenly split among Caucasian (49 percent) and minority (51 percent) clients.
- Three-quarters of sentenced AIP clients had prior drug problems.
- Almost half of sentenced AIP clients were classified at the highest levels for risk of re-offending.
- Prior to program admission, almost 40 percent of AIP clients were arrested for a drug crime, 16 percent for a violent crime, 10 percent for a property crime, and 18 percent were arrested for a variety of other crimes including risk of injury to a minor, reckless endangerment, weapon violations, threatening or stalking, interfering with a police officer, and violation of probation.
- Overall, AIP clients were arrested for less serious and nonviolent misdemeanor crimes.
- Two-thirds of clients admitted to an alternative incarceration program were convicted and sentenced for a crime and 36 percent were in pre-trial status.
- About 51 percent of the AIP clients were admitted to an alternative sanction program and about one-quarter of the clients were each admitted to a pre-trial education diversion or a specialized court.

Recidivism Among AIP Clients

- More than one-third of AIP clients were re-arrested for a new crime within one year of admission to a program.
- Over 20 percent were reconvicted of a new crime, but very few (1 percent) were sent to prison as a result.
- With a one-year recidivism rate comparable to the one-year rate found in the 2001 program review study on recidivism, it is anticipated that half of the

current AIP clients will also be re-arrested within three years of program admission. ¹

- Sentenced AIP clients were more likely to be re-arrested than pre-trial AIP clients.
- Property offenders were more likely to recidivate and drug offenders the least likely.
- AIP clients committed a variety of new felony and misdemeanor crimes, but most were nonviolent and misdemeanor offenses such as larceny, assault, drug possession, disorderly conduct, and motor vehicle infractions.
- Male clients had a significantly higher recidivism rate than female clients.
- Young, minority clients were most likely to be re-arrested.
- AIP clients failing to complete a program (unsatisfactory discharge) were significantly more likely to be re-arrested than those who successfully completed a program.
- AIC and domestic violence program clients were most likely to be re-arrested prior to completing the program.
- Mixing pre-trial and sentenced clients in a program was least effective in reducing recidivism.
- Mismatched client treatment level and program intensity resulted in higher re-arrest rates among AIP clients.
- Alternative sanction programs targeting specialized client populations (e.g., sex offenders) and the Pre-trial Family Violence Education Program were the most likely to be effective for the time period measured.
- The Zero-Tolerance Drug Program and the Pre-trial Hate Crimes Diversion and School Violence Education Programs were the least effective in reducing recidivism among the clients.

Alternative Incarceration Program Effectiveness

The principle measure of alternative incarceration program effectiveness used for this study was the rate of recidivism among the client population. *Overall, while assisting to ease prison overcrowding, alternative incarceration programs have mixed results in terms of reducing recidivism. There are certain identified factors that lead to alternative incarceration programs being more effective. The single best predictor of AIP effectiveness is whether a client was satisfactorily discharged from a program. However, several other factors were found to be strong predictors of recidivism among AIP clients:*

- *match between program intensity and client treatment level;*
- *level of program specialization; and*
- *client substance abuse problem.*

¹ Legislative Program Review and Investigations Committee report on *Recidivism in Connecticut* (2001).

Other factors predictive of recidivism included:

- *mixing pre-trial defendants and sentenced offenders;*
- *unmet basic economic needs (e.g., housing, employment, education);*
and
- *lack of services for low risk and pre-trial clients.*

- 1. Given that the identified barriers to satisfactory completion of a program and successful community re-entry increase the likelihood a client is re-arrested, the Court Support Services Division (CSSD) shall examine ways to provide within its evidence-based program network the auxiliary services to address basic economic needs including, but not limited to employment, education, and housing.**

Since 2003, the division has focused alternative incarceration programs on high and medium risk clients without adequate consideration of the potential risks among low risk clients. While these clients are less likely to be re-arrested than higher risk clients, almost one-third were re-arrested for a new crime within one year after admission to a program. Not giving adequate consideration to the potential risks among pre-trial and low risk sentenced clients is counterproductive to the overall evidence-based strategy adopted by CSSD.

- 2. As part of its evidence-based program strategy, CSSD shall develop a comprehensive understanding of the client profile, service needs, supervision requirements, and baseline recidivism rate for pre-trial and low risk sentenced clients, who account for almost half of the total AIP client population.**

The Court Support Services Division, which administers and oversees the alternative incarceration program network, is currently spearheading a shift in its philosophy and process to focus on reducing recidivism among high and medium risk clients. It has adopted an evidence-based program strategy, which provides treatment, services, and supervision that: (1) address the client risks and needs that have been scientifically shown to be predictors of criminal activity; and (2) have been found to significantly reduce recidivism rates.

Obviously, an evidence-based strategy does not exist without data, which is the evidence. *The Judicial Branch and CSSD have an abundance of quantitative data on defendants and offenders, but currently does not have the capability to accurately and readily link recidivism outcome data (criminal history) to program utilization and satisfactory discharge, and client assessment data.* The process used to compile a database for this study was unnecessarily cumbersome and time consuming given the branch's existing automated case management systems. While it was ultimately feasible to compile a database, *for all the data, the division had an unacceptably high data error rate.*

3. **The Court Support Services Division shall improve and integrate its two automated data management systems (CMIS and CRMV) to readily, reliably, and accurately: (1) analyze and track recidivism among the AIP client population; (2) develop new evidence-based programs; and (3) meet its statutory mandate to determine the effectiveness of alternative incarceration programs. It shall consistently use the CMIS client identification number in both systems.**
4. **The division shall collect and maintain client-based program performance data including, but not limited to:**
 - **all alternative incarceration programs to which a client is admitted during pre-trial or sentenced supervision by CSSD;**
 - **date of referral, admission, and discharge;**
 - **discharge status (e.g., satisfactory, unsatisfactory, other); and**
 - **AIP contract monitoring and compliance information.**
5. **CSSD shall standardize the definitions of terms and centralize the process used to collect AIP client performance data from contracted provider agencies. It shall continue to collect this data on a monthly basis. The data shall be maintained in the division's case management information system.**

An evidence-based strategy is supported by evidence of the causes (predictors) of crime and research supporting correctional programs and practices that change criminal behavior. Without the evidence (data analysis), the strategy simply cannot be effectively implemented and any improvements in the recidivism rate cannot be tracked. This would defeat the underlying objective of the strategy. *It is apparent by adopting the evidence-based strategy the division recognizes the importance of data analysis. CSSD has allocated resources and staff to develop the technology to establish an automated data system, but it has not yet prioritized or given adequate resources to the data analysis (evidence) function.*

Because it has outsourced this function, CSSD has not established an internal, coordinated, and objective data analysis unit or process and, to date, has not conducted any of the principle analyses (e.g., client profile, baseline recidivism rate, treatment level and program intensity, and program effectiveness). The division is inexperienced in compiling data and conducting the sophisticated analyses necessary for effective managerial decision-making and efficient use of its resources. Without this capability, the division's implementation and assessment of an evidence-based strategy is seriously constrained.

Under its current organizational structure, CSSD has the functional components needed to improve data management and provide data analysis, but they are not operationally linked. The division will also need to retain experienced analysts and information technology staff.

6. **The Court Support Services Division shall allocate resources to and focus on developing an in-house alternative incarceration program review and analysis process and/or unit**

and establish a formal link between the division's Center for Best Practices and the Quality Assurance, Quality Control, Grants and Contract Monitoring, and Information Technology Units.

7. The division shall conduct an on-going, comprehensive analysis of: (1) the AIP client profiles; (2) service needs and treatment levels; (3) determination of program intensity levels; (4) program discharge status and other predictors of recidivism; (5) the baseline recidivism rate; and (6) alternative incarceration program effectiveness for pre-trial and sentenced clients.

CSSD does not directly provide alternative incarceration treatment and service programs. They are provided through a network of contracted provider agencies, most of which are nonprofit organizations. *The recommended data analysis will also assist contracted provider agencies in the programs they offer. It can be used to better assess clients, make appropriate program placements, and track client compliance and completion. The data are necessary for program development, monitoring, evaluation, and improvement.* Sharing data will help strengthen the partnership between CSSD and the contracted provider agency network, result in better service, and improve client outcomes.

8. CSSD shall share data with contracted provider agencies on a client basis, a program basis, and an aggregated basis including, but not limited to:

- *Client data upon referral:* CMIS client identification number; full LSI-R and ASUS client assessment including recommended client treatment level; and client status (pre-trial or sentenced), criminal conviction and sentence including docket numbers.
- *Program data quarterly:* utilization rate (and capacity); satisfactory discharge rate; and recidivism rate.
- *Aggregate AIP measures annually:* utilization rate (and capacity); satisfactory discharge rate; recidivism rate; and contract program performance outcomes.

The recommended annual aggregate analysis shall combine the individual statistics of similar programs such as AICs for provider agencies to have a context for understanding their individual program statistics.

9. CSSD shall include in its request for proposals (RFPs) for new and existing alternative incarceration programs comprehensive data analysis including, but not limited to:

- profile of target client population including aggregate LSI-R and ASUS data for these clients;

- utilization and satisfactory discharge trends for the target client population and program category or type;
- baseline recidivism rate;
- predictors of re-arrest among target client population; and
- measures for identified contract performance outcomes (e.g., target recidivism rate).

The AIP contract award process is split within the Judicial Branch between CSSD and the Judicial Purchasing Unit. *The bifurcated contract award process is confusing, cumbersome, and results in unnecessary delays in alternative incarceration program start-up.*

10. The Judicial Branch shall establish one comprehensive uniform contract process within CSSD that includes representatives from the Judicial Purchasing Unit in the bid review and contract award processes.

In September 2003, the state Auditors of Public Accounts found some problems with CSSD's program monitor review and reporting processes, and recommended CSSD evaluate if the annual monitoring provided: (1) adequate assurance of service and program quality; and (2) proper review and report. The division addressed the state auditors' findings. *It appears, however, the division may have exceeded the state auditors' expectations and recommendations.*

11. CSSD shall establish and implement a contract audit schedule to allow contracted provider agencies with six months of continuous compliance to be audited semi-annually (once every six months) rather than monthly. The annual audit schedule shall remain in effect for all agencies.

Recidivism Reduction

Connecticut's alternative incarceration system appears to meet the statutory objectives of controlling prison overcrowding, punishing and rehabilitating offenders, reducing court backlog, and protecting public safety. Since its inception, the alternative incarceration system has benefited from consistent and committed leadership within the Judicial Branch and Court Support Services Division. As a result, the alternative incarceration concept has evolved from a way to simply address prison overcrowding to a vital component of the state's new initiative to reduce recidivism.

With the enactment of the state's alternative incarceration concept in 1990, the Court Support Services Division was mandated to evaluate the effectiveness of alternative sanction programs. It has failed on an on-going basis to meet that mandate.

During the initial implementation of the alternative sanction concept in the 1990s, CSSD narrowly defined the eligible client population and limited the program to sentenced offenders who absent the alternative sanction program would have been incarcerated. These clients

became known as “jail bound” offenders. Those clients were targeted because diverting that population from prison had the most immediate impact on prison overcrowding. Over the past 20 years, the program network has expanded. In response, *CSSD has appropriately expanded the AIP network beyond the original target “jail bound” offender population. Since all pre-trial defendants and sentenced offenders are potentially at risk of re-arrest, the focus only on the original “jail bound” offender is not a logical distinction and would, in fact, be shortsighted especially given the state’s new focus on reducing recidivism.*

The program review committee agrees in theory with CSSD that evidence-based efforts are the most likely method to affect a systematic change in the way community-based alternative incarceration programs have traditionally been developed and administered. The premise of the evidence-based strategy makes sense. Any improvements aimed at targeting specific client populations and/or their needs will better serve AIP clients, and thus, achieve the overarching goals to reduce recidivism, control prison overcrowding, and protect the public. However, the national research supporting evidence-based programming is limited. The evidence the strategy will be effective on the Connecticut offender population has not yet been determined.

The program review committee has concerns about the Court Support Services Division’s implementation of the evidence-based strategy. In general, the division has not sufficiently completed the preliminary analysis stages or established the proper organizational structure to implement and administer an evidence-based program strategy as intended by the original research and criteria. Without the proper foundation, the strategy’s long-term success will be undermined.

Also, it has not identified a standard set of contractual outcome measures for evidence-based programs. Without this information, the division will not be able to take corrective action to modify or develop evidence-based programs.

While a considerable amount of CSSD’s time, efforts, and other resources are spent on researching and understanding the evidence-based strategy, a critical planning element is lacking. *The division has not established a long-range strategic plan to identify the fundamental decisions and actions that will guide the implementation of the evidence-based strategy, evaluate its success, and improve upon its failures.*

12. The Court Support Services Division shall develop a three-year strategic plan for the state’s alternative incarceration concept and implementation of the new evidence-based program strategy. The plan shall identify the objective criteria and procedures for prioritizing AIP client needs and system expenditures based on the existing objectives of the program and the goals of the offender re-entry strategy (P.A. 04-234) to: (1) assist in maintaining the prison population at or under the authorized bed capacity; (2) promote the successful transition of offenders from incarceration to the community; (3) support the rights of victims; and (4) provide public safety.

During the strategic planning process, the division shall examine, but not be limited to, the following areas:

- **current AIP network capacity and capacity to serve;**
- **opportunities to expand including locations, types of programs, and enhancements to existing programs;**
- **client treatment levels, service intensity, and risk and supervision levels based on a client profile and baseline recidivism rates;**
- **capacity of the contracted provider agency network to expand current services, enhancements to existing services, and provide new services;**
- **measurable objectives; and**
- **resource allocation.**

In reviewing expansion of the contracted provider agency network, the strategic planning process shall consider and address elements normally outside the division’s control including, but not limited to, municipal zoning and siting issues, local tax issues, opposition from “host” communities, and use of state bonding funds for AIP facility acquisition, expansion, and improvement.

The strategic plan shall be submitted to the Appropriations and Judiciary Committees by January 1, 2006. Annual progress reports on strategic plan implementation shall be submitted to the Appropriations and Judiciary Committees by January 1 of the subsequent three years. The strategic plan shall be used to assist the General Assembly and Judicial Branch in determining and prioritizing the expansion of the alternative incarceration program and the re-investment of existing and new resources into the AIP network under the state’s offender re-entry strategy.

Currently, the Judicial Branch does not include alternative incarceration program facility acquisition, expansion, or improvements as part of its state bond request. These projects, however, are eligible to receive state bond funds.

13. CSSD should include alternative incarceration program facility acquisition, expansion, and/or improvements as part of its 2006 request to the Connecticut Bonding Commission.

Contracted, nonprofit provider agencies are eligible for state authorized cost of living adjustments (COLA) as part of the state contracts. Newly contracted agencies typically are not eligible for a COLA during the first year of a contract cycle. CSSD defines a “new” contracted agency as: (1) an agency under contract for a program for the first time; or (2) any agency in the first year of a contract cycle even if the agency had been under contract to previously provide the program. Under its current definition, many established provider agencies do not receive an authorized COLA during the first year of a renewed contract cycle. *This practice is viewed by contract provider agencies, which are general nonprofit organizations, as fiscally punitive and unfair. It harms the partnership between CSSD and its AIP network.*

14. CSSD shall amend its definition of “new” contract provider agencies and award COLA adjustments to agencies continuing a previous contract if the service and general contract requirements remain the same in the new contract.

State Liquor Permits (2004): Digest

Permit Structure

- The primary purpose of liquor control laws is to prevent underage drinking and sales of alcoholic beverages to intoxicated persons. The state’s liquor permit system is intended to promote this goal by ensuring sales are carried out in compliance with relevant laws and regulations.
- A model permit system should be simple to administer and enforce, and result in consistent treatment of similar entities. Connecticut’s current structure is complex, complicating policy making and enforcement.
- New permit categories proliferate, out-dated categories are rarely eliminated, many distinctions are unrelated to alcohol regulation, and revisions require legislative action. Policy changes have been adopted that differentially impact similar kinds of permitted operations and sometimes result in unintended consequences.

- 1) **The existing state liquor permit structure should be repealed effective January 1, 2008, and replaced with a system that groups like business activities and uses, focuses regulatory resources on liquor control goals, and incorporates a fee system based on business volume (see following recommendation).**

The new system should retain the three main regulatory tiers: manufacture; wholesale; and retail, and within retail, the distinction between sales for on- and off-premises consumption of alcoholic beverages. The system should also continue to allow for provisional licenses issued at the department’s discretion.

Three new categories should be established to cover all on-premises consumption retail establishments: 1) *primarily drinking* with food service optional; 2) *primarily dining* with full food service required; and 3) *other primary activity*. The on-premises consumption permit categories should further include distinctions for sales by nonprofit establishments and temporary sales periods.

Two new categories should be established to cover all off-premises consumption retail establishments: *primarily alcohol*; and *primarily grocery*.

The new system should allow the DCP commissioner to issue endorsements to permits to cover any special requirements, such as limiting the type of alcohol sold, the number of permits that may be held, or particular restrictions on a permittee’s operations or physical plant.

Permit Fees

- Connecticut's liquor permit fees are inconsistent, outdated, and the current structure fails to meet most goals of government fee system models. Fee amounts do not take into account business size, which produces inequities within and among permit classes. In addition, fee amounts are not related to administrative or enforcement costs and most at levels unlikely to impact permittee compliance.
- One of the best ways to achieve a fair system is to base fees for commercial establishments on a measure of business volume, such as annual liquor sales.

2) Current liquor permit fees should be repealed and replaced with a fee structure based on volume of business by January 1, 2008.

The new fee structure should include a minimum fee for all annual commercial permits that is related to the average cost of initial permitting functions (e.g., process the application, conduct a routine inspection). Every commercial permit holder should pay the minimum fee or a volume-based fee, whichever is greater

The DCP commissioner also should be authorized to establish reasonable fees for temporary permits and for permits issued to noncommercial (e.g., charitable and nonprofit) organizations.

A task force composed of personnel from the revenue services and consumer protection departments, appointed by the commissioners of those agencies, should be established to develop the details of a proposed volume-based liquor permit fee structure for the legislature's consideration. Specifically, the task force should study and report on:

- **the most accurate, comprehensive, and accessible source of information on volume of business for liquor permittees;**
- **an appropriate permit fee rate (e.g., percentage of annual liquor sales) that is related to regulatory costs and will generate total revenues at least equal to current state liquor permit fees; and**
- **any statutory changes required for implementation.**

Local Concerns

- Municipalities have significant control over the sale and consumption of alcoholic beverage through the state local option provision, municipal zoning authority, and other local ordinances.
- There is also considerable opportunity for local input regarding permitted establishments under a statutory remonstrance process, the state public nuisance abatement law, and municipal official sign-off on certain liquor permit applications.

- Several administrative and statutory changes, however, would better inform the public about the state's liquor permit remonstrance process and improve opportunities for expressing local concerns about state liquor permits.
3. **Information about the right to remonstrate regarding renewals as well as initial permits should be included in the public notices required for new permit applications (e.g., published legal notices and on-site signs/placards).**
 4. **A plain language description of the remonstrance process should be prepared by the Department of Consumer Protection, posted on its website, and made available in written form for interested parties upon request.**
 5. **The Department of Consumer Protection should collect and analyze descriptive and outcome information on remonstrance cases, compile all remonstrance hearing decisions, and each year prepare a report summarizing remonstrance activities for inclusion on the agency website.**
 6. **The statutes should be amended to change the timeframe for filing a remonstrance petition for new applications to within 21 days of the end of the public notification period (rather than 21 days after the application filing date).**
 7. **The statutes should be amended to make permits for grocery stores selling beer subject to the remonstrance process.**

Management Information System

- The foundation of any effective regulatory program is accurate, comprehensive, and accessible management information. At present, automated records related to the state liquor permit system are incomplete and inaccurate. Summary information on permit activities and outcomes is not readily available or easily compiled for management purposes; department accounting functions and financial data related to permits are also lacking.
 - The consumer protection department is in the process of addressing its information system deficiencies but there is no formal plan guiding this effort or any internal staff structure dedicated to its implementation.
8. **The Department of Consumer Protection should make improving its automated information systems a priority. It should establish a formal management team charged with: 1) identifying the management information needs of the all agency divisions; and 2) developing a plan and timetable for correcting, expanding, and integrating its current systems by July 1, 2005.**

The integrated system should be capable of generating routine and customized reports on licensing, compliance, and enforcement activities and outcomes for use by liquor division managers, the agency's top management, and policymakers.

On January 1, 2006, January 1, 2007, and January 1, 2008, DCP shall submit to the legislative committee of cognizance a report summarizing key liquor division licensing, compliance, and enforcement activities for the preceding year. The report should include but not be limited to data on: applications received, reviewed, withdrawn, approved and denied; the fees associated with issued permits; remonstrance petitions received and case outcomes; complaints received, investigations conducted, and administrative actions taken; and informal and formal hearings held and their outcomes (e.g., permits suspended, revoked, voluntarily revoked, and fines or other penalties imposed).

2003 Studies: Digests and Compliance

Introduction

The program review conducted seven studies in 2003, listed below. Digests for each study are provided in this section, including compliance status after one year.

- Bail Services in Connecticut
- Budget Process in Connecticut
- Consolidation of Rehabilitative Services
- Correction Officer Staffing
- Medical Malpractice Insurance Costs
- Pharmacy Benefits and Regulation
- Stream Flow in Connecticut

Bail Services in Connecticut (2003): Digest

Serious concerns about the administration and oversight of the bail system raised by the General Assembly prompted the Legislative Program Review and Investigations Committee's review of possible reforms in 2003. The committee made a number of findings related to the state's bail system as well as a series of recommendations aimed at clarifying state bail statutes, consolidating and strengthening state oversight of the commercial bail bond industry, and addressing inequities in the bail system. Key findings and each committee recommendation are set out below.

Legislation/Compliance. During the 2004 legislative session, H.B. 5404 was raised by the program review committee to implement its recommendations. While the bill was approved by the Appropriations and Judiciary Committees, it was ultimately not taken up by the House before the 2004 session adjourned. Thus there is not implementation to report. However, similar legislation is currently pending before the 2005 legislature.

Key Findings And Recommendations

Right to bail and bail options. The right to bail is a founding principle of the American criminal justice process. The existing laws on bail are vague and confusing and in some procedural areas there are no statutory guidelines. Nonsurety bonds are rarely used and are unenforceable because there is no process to collect a forfeited nonsurety bond.

Recommendation: Repeal existing statutory authorization for the nonsurety bond and authorize written promise to appear as the only available nonfinancial bond option.

Cash only bond. There is ambiguity between the bail statutes and rules of the court in that court rules but not state law authorize a cash only bond. Judges do not over-rely on the cash only bond option. It has been used by judges to respond to specific types of cases and to effect

payment of fines. The Superior Court appears to have incorporated the cash bond option into the bail system and it should be codified in state law.

Recommendation: Statutorily authorize a cash only bond as the most restrictive bond option.

Posting 10 percent cash and cash only bonds. While it is not specifically set out in statute, it is the intent of the legislature and the interpretation of the Superior Court that a defendant must post his or her own personal funds in cash directly with the court to be released on a 10 percent cash or cash only bail bond.

Recommendation: Amend existing statutes to prohibit professional and surety bail bondsmen from posting and insurers from underwriting 10 percent cash and cash only bonds.

Pre-trial bail eligibility and criteria. Bail statutes should provide a general statement of intent applicable to all defendants to guide judicial bail-setting decisions. The law should give judges discretion to determine if a defendant poses a danger to another person. Preventative detention would have no weight in a bail decision if the crime did not involve violence or another safety issue.

Recommendation: Eliminate the statutory two-pronged test for appearance in court and dangerousness and establish a general statutory guideline for a judge to set the least restrictive bond necessary to reasonably assure a defendant's appearance in court and to protect the physical safety of any person when the crimes charged or the facts and circumstances of the case suggest a defendant may be dangerous. Revise the statutory factors a judge considers in setting bail and nonfinancial conditions of release.

Post-conviction bail eligibility Existing state law prohibiting post-conviction bail release of a person convicted of a crime involving the use, attempted use, or threatened use of physical force has been found unconstitutional by the Connecticut Supreme Court.

Recommendation: Repeal the statutory provision prohibiting post-conviction bail release of a person convicted of a crime involving the use, attempted use, or threatened use of physical force.

Technical amendments to bail laws Existing bail procedure laws do not specifically provide for or clarify the authority of a judge in certain areas. As a result, certain unintended practices have occurred.

Recommendations: Make the technical amendments to existing bail laws regarding the mandatory six-month stay for forfeited bonds, releasing a bondsman from payment of a forfeited bond, and reinstating a forfeited bail bond.

Licensing and Regulation

Types of bail bondsmen Dual system of regulation with different procedures and financial reporting requirements for professional bail bondsmen and surety insurance companies is inequitable and imposes a lesser financial accountability standard on professional bail bondsmen.

Recommendation: Terminate issuance of new professional bail bondsmen licenses issued after June 30, 2004, but allow existing professional bail bondsmen licenses to be renewed unless the licenses is allowed to lapse or is terminated by the licensee or is revoked by the Division of State Police.

Licensing and regulatory authority The division of licensing and regulatory authority over the bail bond industry among the Division of State Police and Insurance Department has resulted in conflicting, inconsistent, and ineffective enforcement and confusion over jurisdiction. The Insurance Department's failure to adequately regulate surety bail bondsmen has hindered the state's efforts to collect forfeited bonds and to prevent illegal pricing practices.

Recommendation: Consolidate the authority and responsibility to license and regulate the commercial bail bond industry within Division of State Police by transferring control and function over surety bail bondsmen from the Insurance Department.

Licensing criteria The eligibility and licensing criteria for surety bail bondsmen and bail enforcement agents should better reflect the state's standards for suitability. No changes are recommended to the current eligibility and licensing criteria for professional bail bondsmen because through attrition and the recommended termination of new professional bail bondsmen licenses the system of personal bond underwriting will eventually end.

Recommendation: Establish new statutory eligibility criteria and licensing standards for surety bail bondsman and bail enforcement agents to ensure a person's suitability to work in the industry. Require the Division of State Police conduct a background investigation of each applicant.

Recommendation: Require any person responsible for the operation and management of a bail bond agency and supervision of professional or surety bail bondsmen within that agency to also be licensed as a professional or surety bail bondsman.

Recommendation: Require all licensed professional and surety bail bondsmen shall post a \$10,000 cash performance bond with the Division of State Police by June 30, 2004. The Division of State Police shall return the bond amount to the licensee upon voluntary termination or revocation of the license by the division, but may withhold the balance of any unpaid fine imposed upon the bail bondsmen as a result of a substantiated administrative violation or infraction.

Recommendation: Require all licensed professional and surety bail bondsmen and bail enforcement agents engaged in the bail fugitive recovery process to provide proof of a minimum of \$300,000 general liability insurance coverage for recovery activities including

but not limited to personal injury for false arrest, false imprisonment, libel, and slander to the Division of State Police prior to licensing or license renewal.

Recommendation: Require all licensed professional and surety bail bondsmen shall provide written notice to the Division of State Police within two business days of any change of address. The notice shall include the person's old and new address.

License renewal The statutory criteria for license renewal are vague and inconsistent among the entities of the commercial bail bond industry. The authority to deny license renewal is a regulatory tool and its enforcement should be clearly defined.

Recommendation: Require professional and surety bail bondsman and bail enforcement agent licenses be renewed annually. Require all licensees to initiate the application process, meet the statutory requirements for license renewal, and pay a \$250 fee.

Recommendation: Require professional and surety bail bondsmen and bail enforcement agents to provide proof of attendance of at least eight hours of biennial in-service training and an annual firearm recertification course.

Recommendation: Establish the statutory grounds for which the Division of State Police may deny license renewal to a professional or surety bail bondsman or bail enforcement agent.

Regulatory practices State law should clearly and specifically define the business practices within the commercial bail bond industry that are prohibited and the regulatory authority of the Division of State Police to enforce sanctions.

Recommendation: Establish the specific business practices and activities professional and surety bail bondsmen and bail enforcement agents are statutorily prohibited from committing.

Recommendation: Establish the commission of a prohibited business practice or activity by a bail bondsman or bail enforcement agent is an infraction of state law punishable by a fine. Authorize the Division of State Police to suspend the license of a bail bondsman or bail enforcement agent failing to pay a fine until full restitution is made.

Recommendation: Authorize the Division of State Police to also take administrative enforcement action (e.g., suspend, revoke, fine) against a bail bondsman or bail enforcement agent engaging in the prohibited business practices or activities.

Recommendation: Establish the suspension or revocation of any professional or surety bail bondsman or bail enforcement agent license also results in the same administrative action against any other bail bondsman or bail enforcement agent license and firearm permit held by the person. Any person who fails to surrender a revoked license or firearm permit within five days of notice is guilty of a class B misdemeanor.

Required resources The licensing fees for professional and surety bail bondsmen and bail enforcement agents should be consistent and set at a meaningful rate. The revenue generated through an increased licensing fee for the commercial bail bond industry, regulatory fines, and civil collection of forfeited bail bonds can provide the Division of State Police with the resources it needs to take on the added responsibility of the surety bail bondsmen as well as improving regulation of the industry.

Recommendation: Set the application and annual license renewal fees for professional and surety bail bondsmen and bail enforcement agents at \$250. Establish the \$250 application fee is nonrefundable if the applicant is denied licensure, cancels the application, or fails to provide all required information.

Recommendation: Authorize all revenue generated from licensing fees and regulatory fines and 10 percent of the collected forfeited bond funds are dedicated to the Division of State Police for licensing and regulating the commercial bail bond industry.

Commercial Bail Bonds

Bail bondsmen fees and pricing practices Different pricing standards are inherently unfair and are a contributing factor to the current illegal and unprofessional pricing practices among bail bondsmen. Establishing a mandatory fixed pricing schedule for professional and surety bail bondsmen supports the fundamental purposes of bail and is critical to preventing illegal pricing.

Recommendation: Set the nonrefundable fees charged by professional and surety bail bondsmen at 10 percent for any bond amount over \$500.

Recommendation: Require professional and surety bail bondsmen to issue a written receipt including the amount of the nonrefundable fee charged to all clients for whom he or she posts a bond. Require bail bondsmen to maintain a copy of the receipt as part of the business record, which is subject to auditing by the Division of State Police, Insurance Department, and the Office of the Attorney General.

Recommendation: Require professional and surety bail bondsmen to also record the amount of the nonrefundable fee to post a bond on the appearance bond form.

Bail bond processing The commercial bail bond industry claims as a primary benefit of its service is there is no cost to the state to support the independent bail bonding system. This is not accurate. The judicial branch performs several administrative functions to ensure an effective and efficient bail bond system. Since bail bonding generates revenue, the system should be self-funding.

Recommendation: Set a processing fee of \$25 assessed to a professional or surety bondsman, insurer, defendant, or any person posting a financial bond (i.e., surety, 10 percent cash, cash only, property) of \$500 or more. Dedicate the generated revenue to the judicial branch to fund the administrative costs associated with the bail bond process and to re-establish the jail re-interview project.

Notice of forfeiture Beginning in April 2004, written notice of forfeited bail bonds will be sent to the insurance company underwriting the bail bond and not the surety bail bondsman. Given the current practice among some bail bondsmen of intentionally failing to provide forfeiture notice to an insurance company, there is the possibility a bail bondsman may attempt to intercept or prevent a bond forfeiture notice from being sent directly to an insurer by providing an alternative, incorrect, or fraudulent address.

Recommendation: Require written notice of a forfeited surety bond is mailed to the insurance company's corporate headquarters address in its domicile state that is on file with the Insurance Department. Prohibit the forfeiture notice from being mailed to a post office box or commercial mailbox address, to a Connecticut address if the insurance company is headquartered out-of-state, or to a surety bail bondsman or attorney. Establish a presumption any mail posted and not returned to the state has been delivered to the addressee.

Recommendation: Require a surety bail bondsman to provide on the appearance bond form the National Association of Insurance Commissioners (NAIC) identification code for of the insurance company underwriting the bail bond.

Recommendation: Require each power of attorney provided by a licensed insurance company to a surety bail bondsman have the insurer's name, corporate headquarters address, and NAIC code pre-printed on the form.

Recommendation: Require insurance companies to pre-number the powers of attorney forms or implement some other uniform process of assuring all forms can be audited and missing or copied forms tracked.

Civil collection process In light of the six-month stay period for payment and the court's rebate schedule for forfeited bail bonds, the existing compromise schedule to allow for reduced payments of forfeited bonds adopted by the Office of the Chief State's Attorney appears to lenient. When posting a bail bond, a professional bail bondsman or surety insurer enters into a contract with the state to pay the full amount of the bond if the defendant fails to appear in court as ordered. Therefore, the state should establish a disincentive for nonpayment of forfeited bail bonds rather than an incentive for payment that is consistent with its other debt collection policies and procedures.

The collection of forfeited surety bail bonds is strictly a civil proceeding, not a criminal process. Connecticut has a civil collection process to recover any debt owed to the state operated by the Department of Administrative Services (DAS) and under this system any litigation is referred to the Office of the Attorney General. The collection of forfeited bail bonds is not any different than the collection of any other state debt and should not be treated differently.

Recommendation: Transfer the authority and responsibility for the civil collection of forfeited bail bonds from the Office of the Chief State's Attorney to the Department of Administrative Services.

Recommendation: Retain the judicial branch’s responsibility to provide the initial notice of bond forfeiture to insurers and professional bail bondsmen. Require the judicial branch to also notify DAS and to provide all information necessary for debt collection.

Recommendation: Require DAS to provide written notice for payment of the forfeited bail bond to the insurer or professional bail bondsmen during the fifth month of the six-month stay period.

Recommendation: Require a forfeited bail bond be paid in full within 30 days of the end of the six-month stay period, except that any forfeited bond paid within the first 10 days of the 30-day period may be paid at a 10 percent discount.

Recommendation: Require all forfeited bail bonds not paid in full after the 30-day period are assessed interest of 1 percent of the total bond amount per month and are referred to the Office of the Attorney General for litigation of a final judgment for payment.

Recommendation: Require the automatic and immediate suspension of an insurer’s or professional bail bondsman’s license for nonpayment of a forfeited bail bond after the 30-day payment period. The suspension remains in effect until full restitution of the debt is made, and during the suspension the insurer or professional bondsman cannot post any bail bond in Connecticut.

Recommendation: Require an insurer’s or professional bail bondsman’s license be revoked when a period of license suspension for nonpayment of a forfeited bail bond exceeds six months. Require a surety bail bondsman’s license be revoked if he or she engages in a pattern of misconduct that contributes to the insurer’s nonpayment of a forfeited bond.

Recommendation: Require the judicial branch, Division of State Police, Insurance Department, Department of Administrative Services, and the Office of the Attorney General implement a process to provide timely notification and accurate information to facilitate the collective of forfeited bail bonds and the automatic license suspension process.

Recommendation: Dedicate 10 percent of collected forfeited bail bond funds to the Department of Administrative Services for the civil collection function.

Recommendation: Require the judicial branch review and amend if necessary the existing rebate schedule for forfeited bail bonds, and require bail bondsmen eligible for a rebate apply directly to DAS.

Indemnitor eligibility for discount and rebate Although the entitlement for a discount payment and rebate for forfeited bail bonds are not authorized by state law for an indemnitor other than a licensed bail bondsman, it is the intent of the legislature to treat a bondsman and an indemnitor equally. The Superior Court also has authority under its common law powers to grant the rebate to an indemnitor and the chief state’s attorney has amended its practice to allow an indemnitor to pay a forfeited bail bond at a discounted rate.

Recommendation: Amend existing statutes to entitle a person other than a licensed bail bondsman or insurer posting a surety bond to pay at the recommended 10 percent discounted rate and to a rebate on a portion of the paid forfeited bond when a fugitive defendant is returned to custody with one year.

Motions for judgment or appeal Motions that lack legal merit and are brought solely for the purpose of delaying payment of a forfeited bail bond cost the state money and impact the integrity of the commercial bail bond industry.

Recommendation: Require an insurer, professional or surety bail bondsman, principal, or indemnitor filing a motion seeking trial court judgment or appellate review of a final judgment on a forfeited bond: (1) place in escrow with the trial court the sum of the forfeited bail bond or pay the amount under protest with a reservation of appellate rights; or (2) post with the trial court a *supersedeas* bond from a different and sufficient surety insurer in the amount of one and one half times (150 percent) of the forfeited bail bond guaranteeing payment of the judgment amount, lawful interest, and any fee or costs awarded by the trial or appellate court.

Bail bondsman build-up fund Managing build-up accounts in out-of-state banks makes it difficult for surety bail bondsmen to oversee and access their funds. Surety bail bondsmen are licensed and operate in Connecticut and the build-up funds are intended to pay forfeited surety bonds posted in Connecticut. It is also problematic for the state to place a lien against the out-of-state accounts when litigating a final judgment of a forfeited bail bond.

Recommendation: Require insurers underwriting bail bonds in Connecticut to manage all surety bail bondsman build-up funds in in-state banks.

Bail Enforcement

Failure to appear A bail bond is forfeited when a defendant fails to appear (FTA) for any scheduled court proceeding. On that date, a judge issues a rearrest warrant ordering the fugitive be apprehended, charged with a new crime of failure to appear, and returned to custody.

Posting the FTA warrant The current practice of not entering all rearrest warrants into the state and national criminal information systems does not meet the needs of the state and municipal law enforcement and criminal justice agencies or the commercial bail bond industry. The procedure has serious ramifications for public safety and police officer safety. It also does not hold fugitive defendants accountable thus undermines the purpose of bail.

The existing state law allowing a judge to order a warrant be entered into a centralized database has not corrected the current practice or addressed the backlog of rearrest warrants that have not been entered into the law enforcement information systems. Any statutory requirement to enter warrants into a centralized information system should be imposed on the state or municipal law enforcement agencies responsible for this function and not a criminal court judge.

Recommendation: Require state and municipal law enforcement agencies enter all felony rearrest warrants into the COLLECT system and NCIC if extradition is ordered by a state's attorney within five days of receiving the warrant.

Decision to extradite A bail bondsman or surety insurer contractually agrees to assume financial liability for a defendant's appearance in court, but does not have authority to require extradition of a fugitive defendant recovered in another jurisdiction.

Recommendation: Authorize a bond forfeiture vacated and the professional bail bondsman or surety insurer relieved of payment if a fugitive defendant is in custody in an out-of-state jurisdiction and the state's attorney declines extradition.

Transport costs The use of a private prisoner transport company appears to be a more effective and cost-efficient method of transporting extraditable fugitives to and from Connecticut.

Recommendation: Authorize the chief state's attorney to contract with a private prisoner transport company for transporting bail fugitives and other fugitives from justice to and from Connecticut to face prosecution or serve a prison sentence.

Firearm permits The federal Interstate Transportation of Dangerous Criminal Act meets the intent and qualification criteria of the state's firearm permit laws

Recommendation: Exempt a private prisoner transport company and its employees operating in Connecticut from state firearm or weapon permit requirements if its policies meet the minimum standards established under the Interstate Transportation of Dangerous Criminal Act and are approved by the Division of State Police.

State fugitive recovery process Since most fugitive offenders are apprehended during routine police work, it is critical outstanding rearrest warrants are entered into the state and national criminal information systems: COLLECT and NCIC. Fugitive recovery is an essential element to the bail process. It holds defendants released on bail accountable to meet the contractual obligations of the bail bond and assists with the orderly and effective administration of justice by ensuring defendants appear in court as ordered. It provides public and police officer safety by identifying and taking potentially dangerous offenders into custody.

Given the backlog of outstanding rearrest warrants, the current state resources allocated to fugitive recovery are inadequate. To be most effective, fugitive recovery must be an on-going intelligence gathering and tactical process.

Recommendation: Require the Division of State Police expand its fugitive recovery unit and prioritize locating and apprehending bail fugitives. Dedicate 30 percent of collected forfeited bond funds to the division for this function.

The existing mandate for the surveillance of serious felony offenders released on bail is unworkable given current resources, jurisdictional issues, and caseload. The intent of the

legislation is met through the witness protection program administered by the Office of the Chief State's Attorney.

Recommendation: Repeal the statutory requirement for the chief state's attorney to develop protocols for the surveillance of persons charged with serious felony offenses that are out on bail.

Commercial bounty hunting The commercial bail bond industry's fugitive recovery practices in Connecticut are dangerously unregulated.

Recommendation: Clarify the existing statutory definition of a bail enforcement agent and require out-of-state fugitive recovery personnel be licensed to operate in Connecticut or contract with a licensed bail enforcement agent to apprehend a bail fugitive in the state.

Recommendation: Amend existing statute to require bail bondsmen and bail enforcement agents provide at least six hours prior notice to local law enforcement of any attempt to apprehend of bail fugitive and to provide an update if the activity continues over an extended period of time.

Recommendation: Require a bail bondsman or bail enforcement agent to deliver a bail fugitive to the court or police within five hours if apprehended in Connecticut and within 24 hours of apprehension in another state.

Recommendation: Require a bail bondsman or bail enforcement agent complete an "In Custody Report" for each apprehension of a bail fugitive. A bondsman will retain the report for a period of five years and make the reports available to the state for investigative purposes and review.

Recommendation: Require the Division of State Police to develop and provide the "In Custody Report" forms.

Recommendation: Authorize a violation of any fugitive recovery provision is an infraction of state law and may also result in an administrative action (e.g., license suspension or revocation or fine) by the Division of State Police.

Consolidation of Agencies Serving Persons with Disabilities (2003): Digest

During 2003, the committee conducted a study on *Consolidation of Agencies Serving Persons with Disabilities*. The study was prompted by requests from leadership of both parties to examine where restructuring or reorganizing government agencies might produce efficiencies and cost-savings, given the state's difficult fiscal situation in early 2003. The committee approved a scope and a screening definition that narrowed the number of agencies under review to: the Department of Mental Health and Addiction Services (DMHAS); Department of Mental Retardation (DMR); Bureau of Rehabilitation Services (BRS) (within the Department of Social

Services); the Board of Education and Services for the Blind (BESB); and the Commission on the Deaf and Hearing Impaired (CDHI).

A public hearing on the consolidation study was held in September 2003, and all who testified spoke against the proposed agency merger. Following the hearing, staff developed and presented less-sweeping options to a full consolidation, which the committee considered. However, the committee ultimately recommended a full consolidation. Key findings and the committee recommendations are set out below.

Legislation/Compliance. During the 2004 legislative session, HB 5361 was raised to enact the committee recommendation, which did not pass. As the consolidation would have required legislation, there is no compliance to report for this study.

Key Findings and Recommendations

Connecticut has had a long history of maintaining single-purpose agencies to serve clients with disabilities. Previous attempts to merge/consolidate agencies serving disabled populations in Connecticut have achieved only limited success.

Anticipated Benefits Of Consolidation

There are a number of reasons to consolidate agencies serving disabled populations in Connecticut.

- The majority of other states provide services to disabled populations through a large umbrella agency like a health and/or human services department.
- Both the private and public sectors continue to use a variety of ways to downsize and improve efficiencies, including consolidations.
- Recent fiscal and personnel reductions, and the introduction of the Core-CT in Connecticut made 2003 an opportune time for consolidation.
- A merger would reduce disparities in ability to provide administration/support service in the individual agencies.

There is no consistently used standard of what percentage of staff or funding should go to administrative/support functions. Using five percent of total staff dedicated to administration as a reasonable standard, the committee found:

- A reduction of approximately 100 positions should be possible in a new consolidated agency with centralized administrative functions.
- Resulting total administrative cost-savings should be about \$8.5 million, based on a median salary and benefit figure of \$85,025 for each administrative position.

Options Considered

The committee's public hearing was attended by dozens of advocates and agency heads; all testified in opposition to a merger. Following the public hearing, two less-sweeping options to consolidation were developed and considered by the committee. The committee concluded that benefits to a full agency merger outweigh its drawbacks and adopted the following consolidation recommendation.

Recommendation: Consolidate the Departments of Mental Health and Addiction Services, Mental Retardation, Board of Education and Services for the Blind, and Bureau of Rehabilitation Services, and Commission on the Deaf and Hearing Impaired into a single agency. This merger would include all programs currently administered by these agencies.

The program review committee recommends that the consolidation model be a categorical one, and the resulting new agency be called the Department of Developmental and Rehabilitative Services. It shall have one commissioner and one deputy commissioner and each division (five categorical service divisions and the administrative division) shall have a division director. The division director shall be a managerial position within classified service.

Major modifications of relevant statutes (i.e., Chapters 174; 319b; 319i; 319mm (Part II); and 814a) will be required to reflect these organizational changes.

Steering committee. The Secretary of the Office of Policy and Management shall direct the implementation of the consolidation. There shall be a steering committee to develop an implementation plan. Each of the following organizations and entities shall have a representative on the steering committee appointed by the Secretary of the Office of Policy and Management from names submitted by each agency or organization:

- The State Employees Union Bargaining Coalition;
- The state Management Advisory Council, an organization of state managers outside of collective bargaining;
- One representative from each of the current departments or bureaus recommended for consolidation;
- One representative from an advocacy organization representing each of the client groups involved in the consolidation;
- One member of a contracting service provider who is not an advocate of one of the client groups; and
- One member from a business in the private sector or from an organization representing business and industry interests.

Implementation plan. The implementation plan shall be developed by January 1, 2005, and submitted to the legislature's committees on appropriations, human services, public health, and government administration and elections. The implementation plan

shall include the steps for consolidation outlined to begin by February 1, 2005, and completed by December 31, 2005. Each step shall be assigned to one of the state agency representatives on the steering committee, as designated by the full committee. That agency representative shall have the authority to form implementation teams made up of personnel in the current agencies and support agencies like Department of Information Technology, appropriate and relevant to achieving the assigned task. (For example, one team might be responsible for facility and space needs, while another might be assigned to reengineering a client database to serve the new agency). The implementation steering committee shall select and prioritize the steps in the plan and determine dates for completion, which shall be included in the plan.

Connecticut Budget Process (2003): Digest

The program review committee completed a study in 2003 of the process used to develop the spending side of the state budget. The study focused on examining whether the practices followed in Connecticut to prepare the state's operating budget optimize decision-making and are consistent with sound budget procedures.

The committee found Connecticut's budget procedures are viewed, for the most part, as average or better by bond rating agencies and other experts. Many recognized best practices, including a balanced budget requirement and a cap on spending, were put in place as part of a 1991 fiscal reform package tied to the enactment of a new state income tax. However, the program review study revealed there is not always strict adherence to either required or recommended fiscal procedures. At times, a balanced budget is short-lived and achieved through less than optimal practices. Recent budget cycles, for a variety of reasons, have been less than successful in terms of adopting a balanced budget in a timely manner.

The committee concluded improvements were needed in the type and quantity of information that is available about state spending as well as in the process for setting budget priorities.

Key Findings and Recommendations

Sound Budgeting Practices

- For the most part, Connecticut's budgeting procedures are viewed as average or better, and its relatively high bond ratings reflect that perspective.
- *Balanced budget.* There has been compliance with the balanced budget requirement. At times, the balance has been short-lived and achieved through less than optimal financial management practices.
- *Spending controls.* The governor, as required, has reduced appropriations and transferred funding, with approval by the Finance Advisory Committee (FAC) when necessary, to maintain a balanced budget. Giving the executive

expanded authority for significant reductions without legislative review raises questions about the balance of control over spending policy.

- Overall, the state’s system for controlling the spending side of the budget appears to keep actual expenditures fairly close to authorized levels.
 - In recent years, it appears revenues have had more influence than expenditures on the state’s budget balance.
 - Revenue forecasting. The legislature’s current revenue forecasting process appears adequate. It includes most recommended best practices and has had at least average results in terms of accuracy.
 - While the underlying assumptions and methods for the revenue estimate are presented at a finance committee meeting, this occurs late in the budget process with a limited audience.
 - Use of surplus. Surplus funds have been used for the purposes outlined by state law.
 - The appropriated uses of the state’s surplus were made primarily for one-time purposes, consistent with recognized best financial practices. The state’s use of surplus funds for on-going purposes has not been extensive but should be closely monitored.
 - Budget Reserve Fund. A review of the history of Connecticut’s Budget Reserve Fund balances indicates the state has done fairly well in managing the fund. It is not clear whether Connecticut’s newly increased 10 percent level is adequate.
 - GAAP. GAAP accounting, like maintaining a healthy rainy day fund and applying unanticipated surpluses to debt retirement, is an important component of sound financial management.
 - Spending cap. The spending cap has been effective in constraining the growth of the state budget.
 - Connecticut’s cap is strict, particularly when compared to other states, but the current structure does provide flexibility when necessary.
 - The cap is not a perfect mechanism; the variety of ways to circumvent the cap suggests that it is, in some sense, an artificial constraint. More extensive analysis of tax expenditures and monitoring of earmarked funds should be conducted.
 - Federal funds. The problem of federal revenue maximization is not necessarily based on the spending cap structure. Connecticut needs to become more aggressive in exploring federal funding options.
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Improved Decision Making

- Budget cycle. Biennial budgeting is generally more conducive to long-term planning, can ensure funding implications will be fully documented, and provides greater opportunity for performance evaluation activities.
- Information needs. Revisions to the existing budget preparation process are needed to improve the type of information available to legislators and the manner of setting spending priorities.
 - Information about the results of state spending decisions is generally missing from Connecticut’s budget process. Better decision making is possible if all legislators have a greater understanding of the interrelationships and long term impact of spending decisions.
 - The OFA budget book is the most comprehensive source of information regarding adopted state budgets. There would be a serious loss to the understanding of the state’s spending plan if it was not prepared.
- Setting priorities. The current budget preparation process does not foster a long term perspective or a focus on priorities, the key characteristics of good budget decisions. Other states have formal mechanisms for setting spending priorities at the beginning of the legislative session.
- Timely resolution . The legislature is increasingly taking longer each year to adopt a biennial budget. There are several potential negative consequences if a budget is not in place by the start of the fiscal year, including the impact on the state bond rating and the “ripple effect” on municipal budgets.
 - Reduced review time and the broad scope and size of implementer bills limit the ability of individual legislators and the public to understand the implications of the provisions of the bills. The current emergency certification process allows no public hearing, no review by committees of cognizance, and limited input from the rank and file.
- Performance measures . Performance measurement is generally agreed to be an essential component of a sound budgeting process. Information on performance is critical to setting goals, planning activities, allocating resources, and keeping agencies accountable.
 - The Office of Policy and Management has failed to comply with provisions enacted in 1992 that require it to develop and report on agency goals, objectives, and outcome measures. To date, the legislature has not called for any corrective action.
 - A way to systematize the availability and use of performance data within the legislature was outlined in an earlier program review committee report.
 - As part of the budget process study, the program review committee staff examined issues related to performance

budgeting implementation using workforce development as a case study. Results showed the workforce development system has a well-developed performance measurement process.

Legislation/Compliance. The final report included 10 administrative and legislative recommendations intended to promote better information, greater participation, and more transparency in the state’s budget preparation process. As the following table indicates, a bill incorporating the report’s recommended statutory changes (SB 366) was raised in 2004 and heard but not enacted during the 2004 session. The program review report did provide a framework for the legislature’s examination of a variety of possible budget process reforms during 2004, including those proposed by the appropriations committee (HB 5666, SB 605) and the administration (HB 5034). In addition, the committee’s proposed revisions to laws and joint rules concerning the budget process were considered by the bipartisan advisory committee established by the General Assembly leadership in July 2004 to review and make recommendations to improve the legislative process. Although the advisory committee did not officially endorse any program review budget process proposals, it included the program review study as an appendix to its November 2004 final report.

| Summary of Compliance with Committee Recommendations | | |
|--|------------------------------------|---|
| Recommendation | Status After One Year: 2004 | Comment |
| Maintain 10% maximum balance for the Budget Reserve (“rainy day”) Fund until better information is available on most appropriate level (no change recommended) | -- | The maximum fund balance remains unchanged at 10% |
| Make funding GAAP accounting system a priority for any future state surpluses | -- | No action taken to date as any significant surplus is unlikely at present or in the near future |
| Designate OPM single point of contact (SPOC) for federal revenue maximization; seek outside contractors to identify maximization opportunities | partial | OPM reports several new activities underway or proposed to garner federal dollars (e.g., Medicaid and Medicare funds in support of: state nursing homes; prescription drug benefits; mental retardation department community based services; targeted case management; Department of Mental Health and Addiction Services agency administrative costs; special education tuition costs; and chronic |

| Summary of Compliance with Committee Recommendations | | |
|---|------------------------------------|--|
| Recommendation | Status After One Year: 2004 | Comment |
| | | disease hospital services) but SPOC designation not sought to date; legislation to strengthen coordination and monitoring of federal funds introduced by appropriations, human services and government administration and elections committees but not enacted in 2004 |
| Retain biennial budget cycle | -- | The current two-year cycle remains unchanged |
| Require a joint informational hearing be held by the appropriations and finance committees each November to consider the current and future balance of the state general budget | none | Included in PRI proposed legislation, SB 366, and similar provisions contained in appropriations committee and administration bills, none of which enacted in 2004 |
| Statutorily mandate preparation of the Office of Fiscal Analysis budget book each year along with a concise summary and guide to key issues in plain language | none | Included in PRI proposed legislation, SB 366, which not enacted in 2004 |
| Establish a special budget committee to set spending targets for major policy areas and adopt a revenue estimate based on the current tax structure and any proposed modifications | none | PRI suggested to leaders joint rules be changed to implement but no revisions made in 2004 |
| Institute a provision requiring the budget be enacted a week before the end of the regular session and if this does not occur, that all pending legislation die and only the budget may be considered | none | Included in PRI proposed legislation, SB 366, and similar provisions contained in appropriations committee and administration bills, none of which enacted in 2004 |
| Require budget implementer bills be available a minimum of 72 hours prior to a vote by the first chamber to consider the bill | none | PRI suggested to leaders joint rules be changed to implement but no revisions made in 2004 |
| Adopt a performance measurement system | none | Included in PRI proposed |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comment |
| as outlined in the 1999 PRI report (Performance Measurement) | | legislation, SB 366, and similar provisions contained in appropriations committee and administration bills, as well as performance budgeting legislation raised by government administration and elections committee, none of which enacted in 2004 |

Correction Officer Staffing (2003): Digest

The objective of the study, begun in June 2003, was to determine if the current Connecticut Department of Correction (DOC) custodial staffing levels are sufficient for the safe and efficient management of the state’s prison population. The committee made a number of findings and a series of recommendations aimed at providing better information related to staff safety.

Legislation/Compliance. Many of the committee recommendations were raised in HB 5405, which was enacted (P.A. 04-146).

Key Findings and Recommendations

- The Department of Correction is about 700 correction officers short of the number needed to fully staff the department’s custody staffing plan. The shortage is covered almost exclusively by the use of overtime.
- There is no objective method for setting an overall custody staff level or inmate to custody staff ratio due to facility variation, making doing it by statute inadvisable.
- There is significant variation among the Department of Correction’s facilities in terms of the number of inmates per custody officer and measures of safety.
- The Department of Correction’s procedures for determining staffing needs are consistent with nationally recognized standards.
- Correction officers are generally distrustful of the Department of Correction’s incident data and the ability of the department to determine the number of custody staff needed to assure safety.

- Correction officers generally hold the belief prison safety is better now than in the mid-90s, but not safe enough.
- There is no objective method for establishing an acceptable level of safety for either the entire department or individual facilities.
- There is inadequate data on the relationship between staff injuries as measured by workers' compensation claims and overtime.

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comment |
| 1. An overall custody staff level or inmate to custody staff ratio should not be set in statute. | Full | To date, such a ratio has not been set statutorily. |
| 2. Changes in the number of custody staff at the Department of Correction should be based on changes in objective measures of prison safety including but not limited to disciplinary reports, inmate on staff assaults, inmate on inmate assaults, and the security risk level of the inmate population being supervised. | | In its first compliance response, DOC reports that facility post plans are reviewed annually to ensure the appropriateness for each facility's mission. Also considered are: facility inmate population; security level; physical plant; presence of any specialized housing units; presence of inmate with special management needs; consent decrees; and collective bargaining agreements. Further, Unit administrator requests are reviewed throughout the year and staffing adjusted as appropriate. |
| 3. Beginning no later than one month after the close of the first quarter of the 2005 state fiscal year and continuing one month after the close of every quarter thereafter, the Department of Correction shall submit to the governor and the General Assembly's committees of cognizance quarterly reports on the number of: disciplinary reports; inmate on staff assaults; inmate on inmate assaults; and workers' compensation claims by custody staff. | FULL (with ongoing requirement) | PA 04-146 enacted the recommendation. DOC submitted its first report to the committees of cognizance (Labor and Judiciary) due under PA 04-146 in compliance with statute. Due to drafting error, DOC is not required to begin submitting such reports on a quarterly basis until FY 2006. |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comment |
| <p>If the number of disciplinary reports, inmate on staff assaults, inmate on inmate assaults, or workers' compensation claims by custody staff increase by more than 5 percent over the previous quarter or 5 percent over the same quarter of the previous year, the Department of Correction shall provide a written explanation for the increase and a general outline of the measures the department will undertake to deal with the increase.</p> | <p>FULL (with ongoing requirement)</p> | <p>PA 04-146 enacted the recommendation. In its first report dated 10/24/04, only one measure had increased by more than 5% from the previous quarter to the quarter ending 9/30/04: the number of inmate on inmate assaults, which increased 23% (from 154 to 189). As required by PA 04-146, DOC explained these increases were spread over several different facilities, with no discernible pattern to the assaults. DOC stated staff would continue to monitor the causes of these assaults to seek ways to prevent them if possible.</p> <p>The number of workers comp claims increased by more than 5% from the quarter ending 9/30/03 to the current quarter ending 9/30/04, by 10.24%. DOC noted the increase was significant at three facilities, with the most significant at Garner Correctional Institution. DOC notes that due to a recent consolidation of mental health services, all inmates with significant mental health issues, often accompanied by behavioral problems, reside at Garner. DOC reported staff was receiving specialized training to properly understand and manage inmates with mental illness. Also, DOC provided more resources to the Workers Compensation Unit to assist. Unit administrators have been charged to review and assess claims to look for ways to reduce in the future.</p> |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comment |
| 4. The Department of Correction should establish a system for handling disciplinary reports similar to the systems used by law enforcement agencies. The system should include pre-numbered blank disciplinary forms or some other means of assuring all reports can be audited and missing report forms can be tracked to a specific facility and location within the facility. | NONE | In its first compliance response, DOC noted it has an established procedure for logging Disciplinary reports, which includes assignment of a unique number to each report. DOC noted no change to this present system is recommended at this time. |
| 5. Committees of the General Assembly receiving the Department of Correction quarterly safety status report may hold a hearing on the report. | | |
| 6. The Department of Correction should do a cost benefit analysis on its use of overtime to meet staff shortages. The study should consider as a cost the emotional and physical impact of overtime on staff. | NONE | In its first compliance response, DOC reported that the agency had not conducted a cost-benefit analysis on the use of overtime to meet staff shortages. The agency report it is unable to accurately assess overtime costs other than that related to salary. According to DOC, anecdotal evidence suggests a certain level of overtime impacts use of sick time, but extent is unclear (i.e., sick time may be used to avoid non-voluntary overtime). The agency notes DOC staffing levels improving. |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comment |
| 7. The Department of Correction should undertake a study of the relationship between workers' compensation claims and the use of overtime. At a minimum, the study should determine if the incident generating the claim originated while the claimant was working overtime or had worked overtime within 72 hours immediately preceding the incident responsible for the claim. The results of the study should be reported to the governor and the General Assembly no later than January 1, 2005. | FULL | PA 04-146 enacted the recommendation. On 12/28/05, DOC filed a report about the study it conducted per that act. It reviewed FY 2004 cases in which a worker comp claim led to a loss of one or more days of lost work time (508 cases). The overall findings were that the data suggested overtime work does not affect lost time incidents in terms of number of work days missed. Based on current staffing and overtime levels, DOC also believes it likely that a random sample of all custodial staff would show approximately 30% would have worked overtime or had in the last 72 hours, which was the percent roughly equal to the percent of the 508 cases that experienced lost time incidents and had the same overtime characteristics. |

Medical Malpractice Insurance Rates (2003): Digest

The Legislative Program Review and Investigations Committee undertook a study of medical malpractice insurance rates in February 2003 to assess the circumstances underlying the costs of medical malpractice insurance and analyze factors contributing to rising premiums, with the goal of providing remedies as needed. Specifically, the areas of claims resolution, insurance regulation, and physician oversight were reviewed.

Legislation/Compliance. The program review committee raised many study recommendations into SB 141. While SB 141 was recommitted, another bill, HB 5669, contained many provisions similar to SB 141. HB 5669 passed both chambers (P.A. 04-155), but was vetoed by the governor on May 13, 2004. Similar legislation is currently pending before the 2005 legislative session.

Despite the failure of the 2004 legislation, the Department of Public Health, in its compliance response to the committee, indicates it has taken some action related to committee recommendations. Key committee findings are set out below, followed by committee recommendations in the table with comments about compliance status.

Key Findings and Recommendations

Overview of Market

- The purpose of medical malpractice insurance is twofold: 1) to protect health care practitioners from the negative economic consequences of being found negligent in their medical practice; and 2) to provide compensation for individuals who suffer harm from negligent doctors.
- An estimated 7,000 active patient care physicians in Connecticut are required to be insured for malpractice, along with six other types of health care practitioners. Hospitals and other health care institutions are also exposed to malpractice risks.
- Most malpractice insurance policies cover claims made during the policy year, and a typical individual coverage limit is \$1 million per incident with an annual aggregate limit of \$4 million.
- The medical malpractice market is cyclical in terms of premiums charged, profits, and insurance availability, where a “soft” market is characterized by stable or declining prices, and a “hard” market has significant price increases and availability problems.
- The medical malpractice market consists of the traditional market, which comprises commercial and mutual insurers, and the alternative market, which is made up of a number of different financing arrangements that allow related organizations to come together to insure themselves.
- The top five medical malpractice insurers in Connecticut over the last decade have written between 71 and 93 percent of the total premium, and the top two have consistently written over 50 percent of total premium.
- As of September 2003, there were five companies actively writing individual medical malpractice policies in Connecticut according to the Insurance Department.
- Four significant new medical malpractice carriers have entered the Connecticut market over the last decade, and of the four, two remain.
- Two established medical malpractice carriers have either left the market or no longer write individual policies on a nationwide basis, including Connecticut.
- The alternative market for managing medical malpractice exposure has reportedly grown. Only six of the 31 acute care hospitals in Connecticut maintain commercial insurance as their primary means of handling malpractice risk.

Medical Malpractice Claims

- Medical malpractice is a tort (a civil wrong) and occurs when a doctor fails to exercise the same degree of skill and care--*the standard of care*--that doctors in the same specialty ordinarily exercise in like cases, with resulting harm.
- Two public policy goals underpin tort law: 1) an innocent person who is harmed should be compensated by the person who did the harm, if that person acted in breach of a reasonable standard of care; and 2) such accountability will deter future negligent actions.
- Connecticut has in place many tort reform provisions intended to reduce the financial impact of personal injury suits but their utilization is varied.
- Common law and statutes allow for economic and noneconomic damages to compensate for losses.
- Most medical malpractice claims are resolved through the civil lawsuit process, which includes a formal filing of a complaint and answer by the parties, a discovery phase for information gathering, and opportunities for settlement between parties throughout the process.
- Damage caps with varying characteristics are in place in 25 states. When caps were adopted also varies. The earliest was in 1975, several were enacted in the mid-1980s, and a few states just enacted the provisions.
- Logically, placing a limit on the amount of recovery should lower rates, all other factors staying the same. Prospectively determining cap impact on rates and the amount of that impact, though, is a complicated exercise.
- While the committee believes that a cap (depending on the size) would have a beneficial impact on medical malpractice rates, determining how much of an impact is essentially speculative, with CMIC's actuaries citing a possible 10 percent reduction to any rate increase for one year based on a \$250,000 cap.
- However, that potential benefit disrupts integral components of our current civil litigation system, that is, the jury as fact-finder and the validity of non-economic damages. Indeed, cap proposals can be viewed as a tacit acknowledgement that the current litigation system does not work. Recognizing that modern day medicine and the traditional tort system are at such odds that the underlying goals of compensation and deterrence are not being met, instead of caps, efforts should focus on developing a more effective and broad-based patient-centered safety effort, with all the necessary emphasis on individual accountability.
- To respond to the immediate high premium rate problem for physicians, especially those in high-risk specialties, the committee believes a direct premium assistance fund approach is a more targeted solution.

Alternative Mechanism

- It is acknowledged that the entire replacement of the tort system is unrealistic and may not even be desirable in some cases. However, some type of voluntary system that allows for a no-fault administrative system should be reviewed to begin a transition away from the current unwieldy system. Assessing the advantages of a different framework to address some of the most severe and costly types of medical injuries by restructuring the compensation system is appropriate.
- Although proper consideration and resolution of such issues were not workable within the timeframe of this report, the program review committee believes a review of an alternative dispute resolution mechanism is a natural second step to the recommendations made here.

Insurance Pricing

- There are four major determinants of insurance pricing: expected losses, expenses, profit and contingencies, and investment income.
- In general, losses, expenses, and profits and contingencies are added together, while investment income is subtracted to get a projected price.
- Individual premium rates for medical malpractice insurance will vary according to the claims costs by medical specialty.
- The cost to pay for losses is the largest component of the premium.

Insurance Department Oversight

- Insurance companies selling medical malpractice insurance are regulated by the Insurance Department as a property/casualty type insurance.
- The regulation begins at entry into the Connecticut market with license requirements. Once licensed, a company must abide by certain financial strictures and comply with numerous reporting and review mandates.
- Connecticut uses the “file and use” method of rate review, which does not require prior approval of rates.
- State statutes prohibit excessive, inadequate, or unfairly discriminatory rates. The Connecticut Insurance Department reports no medical malpractice insurance rates have in memory been found excessive, inadequate, or discriminatory.
- The insurance commissioner and other members of the department who review rate filings have stated the medical malpractice insurance market in Connecticut is not competitive.

- A non-competitive market does not serve the interests of consumers, especially those like physicians who are required to purchase medical malpractice insurance.
- Other states have stronger regulatory frameworks for setting medical malpractice rates than Connecticut.
- Recent history in the medical malpractice insurance marketplace, on both the national and state level, has exhibited two contrasting trends – growing insolvencies and reported excess reserves.
- The insurance department does not maintain adequate information to gauge market competition.
- The insurance department does not have a clear and complete picture of the premiums charged in the medical malpractice area.
- The medical malpractice insurance market is changing and the insurance department has limited or no regulatory oversight over some of these newer risk mechanisms.

Physician Oversight

- On average, the Department of Public Health receives 496 complaints and notifications of medical malpractice payments involving doctors per year.
- About half (243) of those complaints and notifications result in an investigation, and 45 investigations (18 percent of the investigations or 9 percent of the total complaints) result in a disciplinary action.
- About 8 cases, on average (17 percent of cases with an action or 2 percent of total complaints), end in a severe disciplinary action (i.e., loss of license).
- Over the last 6 years, the proportion of cases investigated by DPH as a result of a review of malpractice payments has dropped in half (from 30 percent to 16 percent).
- Relatively few doctors with multiple licensure actions remain in practice; however, physicians with multiple medical malpractice payments tend not to have licensure actions taken against them.
- The physician disciplinary system is primarily complaint driven – depending mostly on public complaints. The process can be fairly characterized as largely reactive, not proactive. Public protection could be enhanced if the department proactively identified physicians who lack the requisite skills and qualities to effectively perform their jobs.
- The Department of Public Health does not maintain any formal initial screening guidelines for determining which complaints are to be investigated. This is the point at which the majority of cases are selected out of the process.
- No budget is provided, and rarely is a consultant paid, to determine if standards of care have been violated. Standard of care determination is an essential component of a case involving incompetence or negligence.

- There are no formal disciplinary guidelines to assist the department in its negotiations with a licensee or the Board of Medical Examiners in its decision-making process. The purpose of guidelines is to provide consistent and equitable discipline in cases dealing with similar violations.
- The department does not typically find out about a malpractice issue that has been litigated or a malpractice case that has been settled until a payment has been made. That time period is on average at least five years from the date of the incident, and in many cases even longer.
- Committee staff were told that doctors employed by hospitals are often initially named in lawsuits and involved in a pending malpractice matter but are eventually dropped from suits as a case proceeds. Hospitals make a payment on behalf of a doctor's negligent actions but the payment is made under the aegis of the hospital. The identity of the doctor is masked and the payment is never reported to the state or the National Practitioner Data Bank (NPDB.)
- Several victims and families of patients who have alleged medical malpractice and have petitioned DPH have cited a lack of communication with the department over the progress and status of a pending case before DPH.
- Department disciplinary and medical malpractice payment data are not crosschecked with the NPDB for consistency or completeness.
- The Department Of Public Health does not know how many doctors are actually involved in patient care, the actual number of doctors practicing under each specialty in patient care, or the trends in physician employment in Connecticut.
- High quality health care requires physicians to be adequately trained so that care will be delivered consistent with current professional knowledge and practice. If physicians are not well-versed in the standard of care, medical errors are more likely. Connecticut is one of only 10 states that do not require continuing professional medical education for physicians, according to the American Medical Society.

Data Analysis

- Premiums paid by physicians for medical malpractice coverage in Connecticut have increased recently, but the extent of increase varies by specialty and insurer.
- After a drop in 1998, total premiums earned by medical malpractice carriers in Connecticut increased 54 percent from 1998 to 2002. Nationally, the increase in earned premium was 25 percent over the same time period.
- Insurance carrier losses for medical malpractice in Connecticut have increased more than the national experience. Nationally, over the last 12 years, incurred losses increased on an inflation-adjusted basis 97 percent, but the increase was over 340 percent in Connecticut.
- Frequency, or the number, of medical malpractice claims has been fairly constant in Connecticut.

- In Connecticut, the average “severity” of claims, measured as the dollar amount per claim, has increased 115 percent on an inflation-adjusted basis since 1991.
- Medical malpractice carriers have allocated the majority of invested assets to bonds. Investment income has declined, but this decline has been relatively minimal.
- The cost of reinsurance, additional coverage that insurance companies buy to protect themselves from excessive losses, has increased.
- Excess reserves have helped keep premium rates low in the past but insurers report the excess has been depleted.
- Profitability in the medical malpractice insurance line has declined in Connecticut more than the national experience and more than all insurance lines as a whole.

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| Establish premium assistance fund to be administered by the CT Insurance Department (CID) and funded through charges to all physicians, hospitals, and attorneys. Fund would provide timely relief for physicians experiencing a certain level of insurance rate increase as determined by CID. | None | Committee did not include this recommendation when it raised SB 141. |
| C.G.S. Sec. 52-192a shall be amended to require a plaintiff or his attorney, 60 days before an offer of judgment is proffered, to provide defendants with an authorization for medical records that meets federal Health Information Privacy Protection Act (HIPPA) requirements and a disclosure of any and all standard of care expert witnesses. | None | Implementing legislation was not passed in 2004 |
| The rate of interest shall be amended to the five-year Treasury bill plus 2 percent on January 1 of each year. | None | Implementing legislation was not passed in 2004 |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| The statutes shall be amended to require that a written opinion from a similar health care practitioner, in which the health care practitioner is identified along with his or her qualifications, and is signed by the health care practitioner, be provided along with the good faith certificate under seal, and it shall be reviewed by a judge no later than 30 days after filing. If the judge finds the certificate insufficient due to the failure of the health care practitioner's qualifications meeting the requirements of C.G.S. Sec. 52-184c, the judge shall so inform the parties, and allow the plaintiff to resubmit one more certificate, with a sufficient written opinion, within 30 days. | None | Implementing legislation was not passed in 2004 |
| <p>C.G.S. Section 52-192a shall be amended to establish non-binding pre-suit mediation mandatory upon the request of at least one party to a potential lawsuit. Requires pre-notification of intent to file lawsuit by claimant and mediators may be either a judge or two court-appointed attorneys who practice in the field of med mal on both sides respectively. Mediation to be completed within 120 days after the original mediation request.</p> <p>The mediation process would be deemed to be settlement negotiations for evidentiary and confidentiality purposes. In addition, any findings or recommendations of the mediator or mediators would be confidential and not admissible in any other court proceeding.</p> <p>C.G.S. Section 38a-32 through 33 (the medical malpractice screening panel) shall be repealed.</p> | None | Implementing legislation was not passed in 2004 |
| C.G.S. Sec. 52-251c shall be amended to make clear that the fee schedule is intended to be mandatory. | None | Implementing legislation was not passed in 2004 |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| A multi-stakeholder taskforce shall be appointed to determine the feasibility of developing systemic alternatives to the current tort system, including an enterprise liability system and a no-fault approach to medical malpractice. | None | Implementing legislation was not passed in 2004 |
| <p>Prior approval of medical malpractice insurance rates shall be required if the commissioner determines the market for medical malpractice is not competitive or an insurance carrier requests a rate increase or decrease of 15 percent or more</p> <p>Specifically, no later than October 1 each year, the commissioner shall determine if a competitive market exists for medical malpractice insurance. That determination shall apply to all rate changes filed on or after January 1 of the succeeding year. The commissioner shall consider relevant tests of competition pertaining to market structure, market performance, and the opportunities to obtain insurance from competing insurance carriers. These tests may include, but are not limited to: the size and number of insurers actively engaged in the market, both in general and by doctor specialty; whether there are enough carriers to provide multiple options to physicians and medical facilities; market concentration and changes in market concentration over time; extent to which any insurer or group of affiliated insurers controls all or a significant portion of the market; ease of entry into the market; and underwriting restrictions. The commissioner may make a determination on market competitiveness at any other time, after appropriate notice, if the commissioner determines the market has changed significantly since his or her prior determination.</p> <p>If the commissioner determines a noncompetitive market exists or a carrier requests a rate increase or decrease of 15 percent or more: the commissioner shall notify the public of any application for a rate change, within five business days of filing, and the commissioner shall accept public comment for 30 days</p> | None | Implementing legislation was not passed in 2004 |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| <p>after public notice regarding any proposed change. In addition:</p> <ul style="list-style-type: none"> - a public hearing on the proposed change may be requested by a consumer or his or her representative within 45 days of public notice; or - the commissioner may hold a public hearing regarding the rate change on his or her own motion; or - in the absence of a request for a public hearing by a consumer or his or her representative, the commissioner may approve or disapprove a rate without a hearing, within 60 days of filing, consistent with the standards in C.S.G. Sec. 38a-665 pertaining to excessive, inadequate, or unfairly discriminatory rates. <p>The commissioner shall require every insurance carrier to enclose a notice in every policy renewal or premium bill informing policyholders of the opportunity to request a hearing upon application of rate changes by insurance carriers during a noncompetitive market. The commissioner shall maintain on an on-going basis a database containing information about the competitiveness of the medical malpractice marketplace derived from the information gathered above, including premiums charged by physician specialty and number of physicians insured under alternative risk mechanisms. The commissioner shall utilize any relevant information collected by any other state department or agency that would assist in determining the degree of competition that exists and how physicians are insured.</p> <p>In a competitive market, the existing “file and use” method of rate review for medical malpractice insurance, under C.G.S. Sec. 38a-676, shall apply.</p> | | |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| Any foreign captive insurer (i.e., chartered and formed under the laws in another jurisdiction) that provides medical malpractice insurance in Connecticut shall be required to obtain a certificate of authority from the insurance commissioner before doing business in Connecticut. The company shall provide such information as the commissioner deems necessary (and is not inconsistent with federal law) to ascertain whether the captive insurer will be able to meet its policy obligations before a certificate of authority is issued. The captive insurer shall be required to report annually to the commissioner sufficient financial information to demonstrate, to the commissioner's satisfaction, that such insurer is operating in sound financial condition. If the commissioner determines the captive insurer is not operating in sound financial condition, the commissioner may revoke its certificate of authority. | None | Implementing legislation was not passed in 2004 |
| The Department of Public Health shall establish a policy of funding for physician consultants for physician investigations. The department shall develop cost estimates for the payment of consultants and report to the legislative committees having cognizance over public health matters. | Partial | In its March 2005 compliance response, DPH reported it currently contracts with 6 part-time physician consultants and has hired a full-time physician to address issues of practitioner discipline and health care facility oversight. DPH notes it has the ability to engage in short-term contracts with other specialists as needed. The state FY 04 costs for these consultant services is projected to be \$78,550, with an additional federal contribution of \$45,000. |
| With regard to the disciplinary screening and investigation process, the Department of Public Health: | | Implementing legislation was not |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| <p>- shall develop formal written initial screening guidelines for physician-related complaints, including medical malpractice payment notifications. The department shall develop and report meaningful reasons for why cases are dropped from the process in a summary format in the department's annual report entitled, Report of Legal Office Regarding Physician Actions required under C.G.S. Sec 20-13i;</p> <p>- shall develop a formal written prioritization system so investigations may be conducted in order of priority, and report outcome and timeliness of actions by priority under C.G.S. Sec. 20-13i;</p> <p>- shall adopt written guidelines for broadening the scope of investigations, if deemed appropriate following screening, beyond the incident report or complaint that prompted the investigation. Those criteria for investigatory practices should include: sampling a large portion of patient records to identify patterns of care; reviewing office practices and procedures; reviewing performance and discharge data from hospitals, and managed care organizations; and interviewing additional patients and peers;</p> <p>- shall adopt necessary procedures so that all investigations recommended for closure by the department, without any action, shall be reviewed by a panel of both public and professional members of the Medical Examining Board for concurrence;</p> <p>- shall develop a proactive system of markers to identify licensees warranting possible evaluation, in order to provide greater public accountability. This shall include but not be limited to: health status/age of licensee; number of complaints and malpractice claims/settlements/judgments; frequent changes in location; changes in area of practice; adverse actions by professional organizations, HMOs and licensing boards; failure to recertify in board specialty; inability to obtain</p> | | <p>passed in 2004. DPH noted in its March 2005 compliance response that the investigation process had been updated to "include a classification system to triage complaints according to scope and severity, with a formal written format in draft.</p> <p>Noted additional RN investigators had been hired</p> |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| <p>liability insurance in the regular insurance market; and physicians whose practice is not subject to peer review. It is understood any one action in one of these areas would not necessarily warrant an evaluation by DPH; and</p> <p>- shall implement these changes by December 31, 2004.</p> | | |
| <p>There shall be established a multi-stakeholder task force, by September 1, 2004, to develop disciplinary guidelines to assist the Medical Examining Board in the physician disciplinary process. In each final action, the board shall provide evidence of how it applied the guidelines in memoranda of decisions, consent orders, and consent agreements. Deviation from the guidelines may be permitted when the board determines that clearly evident mitigating factors or other facts before the board warrant such a deviation. The board shall identify the reasons for the deviation in each case. The guidelines shall be developed by December 31, 2004. The guidelines shall include, but not be limited to:</p> <p>- identification of each type of violation;</p> <p>- a minimum and maximum penalty for each type of violation;</p> <p>- additional optional conditions that may be imposed by the board for each violation; and</p> <p>- identification of factors the board shall consider in determining if the maximum or minimum penalty should apply.</p> | None | <p>Implementing legislation was not passed in 2004.</p> <p>DPH noted it is currently in the process of developing guidelines to assist in the disciplinary process</p> |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| The Department of Public Health shall consider improving communication with petitioners by stating explicitly in writing why a case does not proceed based on changes in the screening guidelines recommended above and allow the victim or family, in the case of death, access to the consultant review for those cases that are evaluated and fail to meet the probable cause standard. | None | DPH has elected to not change the format of the dismissal letter as the letter currently meets statutory requirements. The agency states that inquiries about reasons for dismissing a case are addressed in more detail as needed, through telephone conversation or other mechanism, without compromising confidentiality. |
| The Department of Public Health shall track and report annually on the number of physicians by specialty who are providing patient care and identify and develop the information necessary to create an inventory of actively practicing physicians in Connecticut by December 31, 2004. The department's physician license renewal form shall contain, and each licensed physician shall provide, the name of the insurance company through which a physician is insured and the policy number. The department shall assess the physician inventory every three years and such assessment shall include, but not be limited to: the number of doctors licensed by specialty, the number of doctors involved in patient care by specialty in Connecticut, projections for physician employment, identification of insufficient supply of specialists, and identification of any barriers to meeting physician workforce needs. | None | Implementing legislation was not passed in 2004 DPH notes that rather than changing the physician license renewal form to collect med mal insurance information, it submitted proposed legislation to revise the physician profile reporting requirements to include additional information, such as insurance information. DPH also noted it was in the process of developing an inventory of physicians licensed and practicing in CT |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| The Judicial Branch shall provide notification to the Department of Public Health of all medical malpractice lawsuits filed with the courts within 30 days of their filing, indicating all doctors who are named. The health department shall track the doctors involved in lawsuits for purposes of determining if investigation for possible licensing actions are warranted. | None | Implementing legislation was not passed in 2004 |
| By December 31, 2004, the Connecticut physician profile shall contain any information on malpractice payments and adverse actions taken in other states against Connecticut licensed physicians. The department shall use NPDB data for the source of this information, and the department shall adopt the practice of regularly crosschecking DPH records with NPDB data for consistency and accuracy. | None | Implementing legislation was not passed in 2004 DPH noted that regularly cross checking DPH records with NPDB records would be cost-prohibitive. If NPDB develops a pilot program to allow regulatory agencies to query NPDB without charge, DPH would reconsider its position. |
| Requirements for physician re-licensure shall be amended to include a minimum of 40 hours of continuing education every two years. The department shall determine acceptable required content guidelines as well as the minimum number of hours per year needed. In addition, a multi-stakeholder task force shall be convened to examine the feasibility of developing a physician re-licensing examination. The task force shall be appointed by September 1, 2004 and shall report to the legislature by February 1, 2005. The task force will examine: - if a periodic test for re-licensing based on determining an acceptable level of clinical competence, both knowledge and skills, would benefit public safety and health; - the appropriateness of such a test for all physicians or class of specialties; | None | Implementing legislation was not passed in 2004 |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Comments |
| <ul style="list-style-type: none"> - how such a test would be administered; - at what time intervals in a physician's career should such a test be administered; - what type of preparation would be necessary and could be made available to physicians; - how failure of the test should be handled, and how many retakes would be allowed; and - how much such a re-licensing process would cost. | | |

Pharmacy Benefits and Regulation (2003): Digest

Prescription drugs are the fastest growing segment of health care spending in the United States. In FY 03, the state of Connecticut spent approximately \$719 million on pharmaceuticals or 5 percent of the state budget. The Legislative Program Review and Investigations Committee voted to study Pharmacy Benefits and Regulation in February 2003. The study focused on how the state purchases prescription drug benefits for a variety of program beneficiaries (i.e., state employees and retirees, Medicaid, HUSKY B, Department of Mental Health and Addiction Services, State Administered General Assistance, ConnPACE recipients, injured workers under the State Worker's Compensation program and inmates in the Department of Correction), to determine if the greatest leverage was being exercised by the state to maximize cost savings. The study also examined the experience of other states in containing pharmacy costs while increasing access to state-sponsored prescription drug programs.

State Prescription Drug Programs

- The state of Connecticut pays for some or all of the cost of prescription drugs for nearly 700,000 eligible state residents per month.
- The primary populations covered by the state are recipients of medical assistance programs administered by the Department of Social Services (DSS), state employees and retirees, inmates of state correctional facilities, and patients at state-run hospitals and health care facilities.
- Department of Social Services' medical assistance programs and state employee/retiree insurance programs accounted for 93 percent of total state pharmacy expenditures in FY 02.

- More than a dozen state entities are involved in the state’s pharmacy-related activities, including DSS, the Office of the Comptroller, the Department of Administrative Services (DAS), and the University of Connecticut Health Center. Key industry players are drug manufacturers, drug wholesalers, pharmacies, and pharmacy benefit managers (PBMs).

State Prescription Drug Purchases

- The “cost” of a drug reflects expenses for research and testing, manufacturing, product marketing, and sales profit.
- There is rarely a single “price” for a drug. The amount varies, depending on who is purchasing the product.
- The state uses multiple approaches to obtain prescription drugs for program-eligible beneficiaries. Depending on the program, the state pays others for drugs dispensed by community or mail-order pharmacies, or the state buys drugs directly from wholesalers and dispenses them itself.
- No central source of information exists regarding total state spending on prescription drugs.
- Pharmacy expenditures by DSS totaled approximately \$500 million in FY 03, an increase of 20 percent over the previous year. Prescription drug claims for state employees/retirees totaled \$171 million in FY 03, an increase of 13 percent from FY 02.

Controlling Prescription Drug Costs

- Program eligibility criteria, the scope of services covered, cost-sharing requirements, utilization management strategies, and reimbursement formulae all impact state pharmacy costs.
- Connecticut state government is using a variety of approaches to curb prescription drug spending, but the strategies are not uniformly applied across all programs.
- Several of the programs operated by the state have restrictions (e.g., federal rules, contract language, etc.) that limit the state’s ability to contain prescription drug costs.

Legislation/Compliance. The committee proposed 24 recommendations of which 11 were raised during the 2003 legislative session in SB 295. The bill required the Department of Social Services (DSS) to provide monthly reports to the legislature until it adopted a preferred drug list; expand the preferred drug list in FY 05 to include all eligible classes of drugs; apply the preferred drug list to all of the prescription drug programs it administers; and contract with an

organization to negotiate supplemental rebates with pharmaceutical manufacturers once the preferred drug list was established.

The bill also created a two-tier co-pay system for the ConnPACE program, required state agencies that purchase prescription drugs to report annually to the Office of Policy and Management (OPM) on expenditures and rebates, and made changes to the nursing home drug return program as well as expanded this concept to include drugs purchased by other state agencies.

The bill was amended by the public health committee and by the Senate, but ultimately it was not adopted by the House. However, Public Act 04-258 incorporated some of the committee's recommendations including allowing the commissioner of DSS to contract with a pharmacy benefit manager (PBM) or another entity to provide prescription drug coverage for those recipients in a managed care setting and to expand the preferred drug list (PDL) to more than three classes of drugs as was required under current law. It also allows the DSS commissioner to contract with a PBM or another entity qualified to negotiate with pharmaceutical manufacturers for supplement rebates for the purchase of drugs on the preferred drug list.

The table below summarizes the compliance status for each administrative recommendation. In its compliance response, DSS stated that the Pharmaceutical and Therapeutics (P&T) Committee was convened February 10, 2004. As of February 2005, the committee has approved seven classes of drugs for inclusion on the PDL. In addition, the department has contracted with EDS/Provider Synergies to operate the preferred drug list and provide administrative support to the P&T Committee. The anticipated implementation date for the PDL is April 1, 2005.

The 13 administrative recommendations adopted by the program review committee were intended to expand access to prescription drugs, better track prescription drug expenditures and rebates received from pharmaceutical manufacturers, and implement strategies to lower the cost of prescription drugs purchased by state agencies.

Key Findings And Recommendations

Program review committee recommendations seek to reduce the cost of prescription drugs paid for by the state. Some proposals involve the quantity of drugs purchased; others target the price paid.

Department of Social Services Programs

The Department of Social Services has made significant progress, particularly in the last year, in implementing many of the pharmacy cost containment provisions mandated by the legislature. However, some require additional effort.

Preferred Drug List. The state has not implemented a preferred drug list -- a key cost containment mandate that could generate significant savings.

Recommendation: The Department of Social Services shall convene the Pharmaceutical and Therapeutics Committee by January 1, 2004. If the committee has not met by that date, the authority to appoint the Pharmaceutical and Therapeutics Committee shall be transferred to the Drug Utilization Review Board within the Department of Social Services. The department shall report monthly in writing to the committees of cognizance over human services and appropriations and the Program Review and Investigations Committee on the status of the Pharmaceutical and Therapeutics Committee. Such reports shall begin January 1, 2004, and continue until a preferred drug list is established.

Recommendation: The Department of Social Services, in conjunction with the Pharmaceutical and Therapeutics Committee, shall develop a comprehensive preferred drug list for FY 05.

The administration of the pharmacy benefit for HUSKY A and HUSKY B involves four separate managed care organizations and three separate pharmacy benefit managers, each with its own formulary. The Department of Social Services could maximize its power to negotiate supplemental rebates from drug manufacturers by developing a uniform, expanded preferred drug list common to all programs under DSS.

Recommendation: The Department of Social Services shall carve out pharmacy benefits from the HUSKY A and HUSKY B programs and consolidate the administration of all pharmacy benefit programs within the department.

Recommendation: C.G.S. 17b-274e shall be amended to require DSS, in conjunction with the Pharmaceutical and Therapeutics Committee, to develop a single preferred drug list common to all DSS pharmacy programs.

Recommendation: DSS shall contract with an organization having expertise in negotiating supplemental rebate agreements with drug manufacturers in order to obtain supplemental rebates on behalf of the state of Connecticut once the preferred drug list is established.

Maximum Allowable Cost. The legislature required the Department of Social Services to establish a maximum allowable cost for certain multi-source generic drugs dispensed under pharmacy programs reimbursed on a fee-for-service basis.

Recommendation: The Department of Social Services should amend its criteria for maximum allowable cost pricing to require the availability of at least two, instead of three, suppliers of a generic product.

Nursing Home Drug Return Program. Since its inception in 1998, the nursing home drug return program has produced overall cost savings of \$1.4 million, with the greatest portion occurring in FY 03. Almost 28 percent (72 out of 260 nursing homes) have not returned any of the prescription drugs on the drug return list and thus, are not in compliance with the law. To date, no penalties have been assessed against nursing homes that have not complied with the program.

Recommendation: C.G.S. Sec. 17b-363a shall be amended to require pharmacies providing prescription drugs to nursing home Medicaid clients to dispense prescription drugs covered by the nursing home drug return program in appropriate packaging so any unused drugs can be returned.

Recommendation: C.G.S. Sec. 17b-363a(g) shall be amended so that the list of drugs to be returned will include, **BUT NOT BE LIMITED TO**, the 50 drugs with the highest average wholesale price that meet the requirements for the program.

Recommendation: C.G.S. Sec. 17b-363a(f) shall be amended to lower the fine for any long-term care facility that violates or fails to comply with the program to \$1,000 for each incidence of noncompliance.

ConnPACE. The ConnPACE program provides prescription drug benefits to Connecticut's senior and disabled citizens. During the 2003 legislative sessions, pharmacy co-pays were increased to \$16.25 per prescription. A two-tiered co-pay would encourage the use of generics by this population and allow recipients to benefit from the lower cost of those drugs.

Recommendation: Under the ConnPACE program, the co-pay for generic drugs shall be \$10, and the co-pay for brand name drugs shall be \$16.25.

Recommendation: The Department of Social Services should implement a mail order option for the ConnPACE program.

Nursing Home Drug Expenditures. State expenditures for prescription drugs in nursing homes totaled \$80.7 million in 2002, representing about 29 percent of all pharmacy expenditures for Medicaid fee-for-service recipients. However, DSS does not specifically analyze prescription drug use in nursing homes.

Recommendation: The Department of Social Services should analyze prescription drug costs and utilization for Medicaid long-term care residents independent of expenditures for prescription drugs dispensed to program recipients in the community. As part of that analysis, the department should compare drug utilization and cost trends among nursing homes, examine generic versus brand name drug use, and evaluate practitioners' prescribing patterns. Based on the analysis, by January 1, 2005, the department shall recommend ways to reduce prescription drug costs in nursing homes to the legislative committees of cognizance for human services and appropriations.

340B Prescription Drug Pricing. Section 340B of the federal Public Health Service Act requires drug manufacturers to enter into agreements to provide outpatient drugs to covered entities, including Federally Qualified Health Centers (FQHCs), at discounted prices. Generally, these prices are at least as low as the prices paid by state Medicaid agencies, but to receive the discounted pricing, an FQHC must adhere to certain requirements

Recommendation: DSS should evaluate the results of the 340B pricing program and compare it to the reimbursement provided under its other pharmacy programs to determine if it should be extended to other geographic areas of the state.

State Employee Health Insurance

Although the health insurance program for state employees and retirees has used a single pharmacy benefit manager since July 1, 2003, the contract covering the services of the PBM had not been signed as of December 2003, nor had a date been scheduled for the contract to be signed. Performance measures were not clearly established before commencement of the new contract period, and health insurers had already achieved several of the measures listed in the original Request for Proposals.

Recommendation: The contract between the state of Connecticut and Anthem Inc. for pharmacy benefit management services should incorporate pharmacy-related performance objectives with valid, quantifiable goals and require submission of periodic reports analyzing prescription drug usage by enrollees and the results of individual cost-saving measures.

Government workers in other states have much higher co-pays than Connecticut state employees. Unfortunately, the state's ability to change the agreement governing health insurance is limited. When contract negotiations do occur, the state should discuss changing the pharmacy benefit.

Recommendation: The state should renegotiate the State Employees Bargaining Agent Coalition (SEBAC) agreement governing prescription drug benefits for state employees and retirees to:

- **increase prescription drug co-pay rates;**
- **establish a three-tier system of co-payment; and**
- **include an inflation adjustment for any long-term co-pay rates.**

Direct Purchase of Pharmaceuticals

No single agency is responsible for buying pharmaceuticals, monitoring wholesaler compliance with state contracts, or aggregating information about the state's purchases of drugs.

The state agencies involved in the purchase of prescription drugs have a limited understanding of how the pricing system for pharmaceuticals works and do not independently confirm the state is being billed correctly for the drugs it buys.

There is no written documentation of the discount the state currently receives under the primary pharmaceutical contract negotiated by the Department of Administrative Services.

Neither DAS nor the wholesaler who fills most of the orders for the state -- Cardinal Health -- is able to provide information about the amount of rebates the state has received in recent years, let alone what it may have been entitled to.

Recommendation: On an ongoing basis, all state entities that purchase pharmaceuticals should verify the prices charged reflect the state's discount rate, monitor the availability and receipt of applicable rebates, and confirm the wholesaler has been paid by the required date. The commissioner of any agency with multiple facilities making prescription drug purchases should ensure all locations comply with these requirements and should investigate the possibility of coordinating purchases among two or more locations.

Recommendation: Annually, on or before October 15, each state agency that directly purchases pharmaceuticals shall report to OPM how much the agency spent on prescription drugs the previous fiscal year and the amount received back in rebates or credits from manufacturers, wholesalers, or any group purchasing organizations to which the state belongs. Agencies with multiple institutions purchasing drugs shall provide the information by individual location.

Recommendation: All state agencies that provide pharmaceuticals directly to patients should develop written policies regarding generic drug substitution and prior authorization for use within individual facilities.

Recommendation: All state agencies that provide pharmaceuticals directly to patients shall establish drug return programs for at least the top 50 drugs with the highest average wholesale price, with provisions comparable to the requirements specified in C.G.S. Sec. 18-81q for the existing drug return program used at correctional facilities.

Recommendation: All state agencies that provide pharmaceuticals directly to patients should evaluate the eligibility of all patients for federally supported assistance programs and identify opportunities to use beneficial pricing formulae (e.g., 340B) to obtain pharmaceuticals.

Recommendation: All state agencies that provide pharmaceuticals directly to patients should investigate the value of purchasing larger quantities (e.g., 100 capsules versus 50 capsules) of routinely dispensed drugs.

Recommendation: On behalf of the state of Connecticut, the Department of Administrative Services should pursue membership in the Minnesota Multi-State Contracting Alliance for Pharmacy and other similar purchasing organizations to determine whether the state can obtain better prices for pharmaceuticals. The cost-benefit analysis should take into consideration timely payment discounts, volume rebates, and other credits.

Recommendation: The Department of Administrative Services and the UConn Health Center (UHC) should continue meeting and develop a joint proposal for consolidation of the state's direct purchases of pharmaceuticals to occur on or before January 1, 2005. The proposal and a summary of the factors on which it is based should be submitted to OPM by March 31, 2004, for a review of the feasibility of the plan. At a minimum, the proposal should be based on:

- an analysis of the range of prices the state currently pays for its most frequently used drugs;

- a projection of the costs and savings likely to result from consolidation;
- an understanding of how authority for comprehensive drug purchasing would be transferred from DAS to UCHC; and
- a review of alternative cost-saving strategies, including the feasibility of having additional small facilities obtain prescription drugs from local pharmacies rather than through direct purchase.

Access

Helping individuals obtain pharmacy benefits, particularly from a non-government source, assists the patients and reduces state expenses. Although the DSS website already offers a link to a group that helps people enroll in privately funded programs, additional efforts to expand awareness of these opportunities should be pursued.

Recommendation: The Department of Social Services should publicize private, low- and no-cost prescription drug assistance programs more widely. In particular, any person who applies to a state medical assistance program and is deemed ineligible should be provided with information about opportunities to obtain prescription drugs directly from manufacturers.

| Summary of Compliance with Committee Administrative Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Agency Response |
| DSS should amend its criteria for maximum allowable cost pricing to require the availability of at least two, instead of three, suppliers of a generic product. | None | The change was included in Governor Rell's recommended budget for SFY 2006-2007. If the proposal is approved, implementation date is anticipated July 1, 2005. |
| DSS should implement a mail order option for the ConnPACE program. | None | Due to the adoption of the Medicare Drug Discount Card and the Medicare pharmacy benefit, going into effect in January 2006, DSS did not think it was appropriate to make any further changes to ConnPACE at this time. |

| Summary of Compliance with Committee Administrative Recommendations | | |
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| Recommendation | Status After One Year: 2004 | Agency Response |
| DSS should analyze prescription drug costs and utilization for Medicaid long-term care residents independent of expenditures for prescription drugs dispensed to program recipients in the community. As part of that analysis, the department should compare drug utilization and cost trends among nursing homes, examine generic versus brand name drug use, and evaluate practitioners' prescribing patterns. Based on the analysis, by January 1, 2005, DSS shall recommend ways to reduce prescription drug costs in nursing homes to the legislative committees of cognizance for human services and appropriations. | None | Due to the adoption of the Medicare Drug Discount Card and the Medicare pharmacy benefit, going into effect in January 2006, DSS did not think it was appropriate to make any changes in the long term care setting relative to pharmacy benefits. |
| DSS should evaluate the results of the 340B pricing program and compare it to the reimbursement provided under its other pharmacy programs to determine if it should be extended to other geographic areas of the state. | Full | DSS has evaluated the impact of 340B pricing and has determined it to be cost effective. The department is currently working with two 340B providers and three additional providers have expressed interest in the program. |
| The contract between the state of Connecticut and Anthem Inc. for pharmacy benefit management services should incorporate pharmacy-related performance objectives with valid, quantifiable goals and require submission of periodic reports analyzing prescription drug usage by enrollees and the results of individual cost-saving measures. | | The comptroller's office indicated that the request for proposals for the new contract that will take effect July 1, 2005 included pharmacy-related performance objectives, and periodic reports on prescription drug usage by state employees and retirees will be required. |
| The state should renegotiate the State Employees Bargaining Agent Coalition (SEBAC) agreement governing prescription drug benefits for state employees and retirees to increase prescription drug co-pay rates; establish a three-tier system of co-payment; and include an inflation adjustment for any long-term co-pay rates. | Current contract does not expire until 2017 | No activity related to renegotiating the agreement has occurred. |

| Summary of Compliance with Committee Administrative Recommendations | | |
|--|------------------------------------|--|
| Recommendation | Status After One Year: 2004 | Agency Response |
| On an ongoing basis, all state entities that purchase pharmaceuticals should verify the prices charged reflect the state's discount rate, monitor the availability and receipt of applicable rebates, and confirm the wholesaler has been paid by the required date. The commissioner of any agency with multiple facilities making prescription drug purchases should ensure all locations comply with these requirements and should investigate the possibility of coordinating purchases among two or more locations. | None | The Department of Administrative Services (DAS) indicated that with respect to state purchases of pharmaceuticals, the department's responsibility is exercised through contract administration. Actual purchase and recordkeeping functions are handled by the individual agencies buying prescription drugs. Therefore, DAS has not addressed the development of written policies regarding generic substitution or the evaluation of eligibility for federal assistance programs. |
| All state agencies that provide pharmaceuticals directly to patients should develop written policies regarding generic drug substitution and prior authorization for use within individual facilities. | | |
| All state agencies that provide pharmaceuticals directly to patients should evaluate the eligibility of all patients for federally supported assistance programs and identify opportunities to use beneficial pricing formulae (e.g., 340B) to obtain pharmaceuticals. | | |
| All state agencies that provide pharmaceuticals directly to patients should investigate the value of purchasing larger quantities (e.g., 100 capsules versus 50 capsules) of routinely dispensed drugs. | | |
| On behalf of the state, DAS should pursue membership in the Minnesota Multi-State Contracting Alliance for Pharmacy and other similar purchasing organizations to determine whether the state can obtain better prices for pharmaceuticals. The cost-benefit analysis should take into consideration timely payment discounts, volume rebates, and other credits. | | |

| Summary of Compliance with Committee Administrative Recommendations | | |
|---|------------------------------------|---|
| Recommendation | Status After One Year: 2004 | Agency Response |
| <p>DAS and the UConn Health Center (UHC) should continue meeting and develop a joint proposal for consolidation of the state's direct purchases of pharmaceuticals to occur on or before January 1, 2005. The proposal and a summary of the factors on which it is based should be submitted to OPM by March 31, 2004, for a review of the feasibility of the plan. At a minimum, the proposal should be based on:</p> <ul style="list-style-type: none"> • an analysis of the range of prices the state currently pays for its most frequently used drugs; • a projection of the costs and savings likely to result from consolidation; • an understanding of how authority for comprehensive drug purchasing would be transferred from DAS to UHC; and • a review of alternative cost-saving strategies, including the feasibility of having additional small facilities obtain prescription drugs from local pharmacies rather than through direct purchase. | Partial | <p>DAS indicated it made persistent efforts to team with UHC as part of its "Buy Smart" effort, but the two did not come to an agreement. However, in October 2004, the two agencies met with Cardinal Health, the state's contract pharmacy wholesaler, and all verbally agreed to resume efforts to develop a joint program for the consolidation of the state's direct purchase of pharmaceuticals. Details of a plan that will have UHC pre-pay for executive branch agencies in order to provide a uniform purchasing program are projected to be completed by March 31, 2005.</p> |
| <p>DSS should publicize private, low- and no-cost prescription drug assistance programs more widely. In particular, any person who applies to a state medical assistance program and is deemed ineligible should be provided with information about opportunities to obtain prescription drugs directly from manufacturers.</p> | Partial | <p>Information is available on DSS website</p> |

Stream Flow in Connecticut (2003): Digest

In 2003, the Legislative Program Review and Investigations Committee conducted a study of stream flow. Stream flow is generally defined as the overall volume and velocity of water within a watercourse. Proper stream flow is important for many purposes, including public water supply, waste assimilation, maintaining instream ecosystems, industrial cooling, agriculture, and recreation.

The study focused on whether the state has a coherent and comprehensive policy, planning process, and management structure to govern minimum stream flow. The study also tried to determine whether the policy achieves a responsible balance between protecting present and anticipated water supply needs and maintaining a viable stream and riverbed ecosystem as a natural resource largely dependent on the same water sources.

The study identified several areas needing attention. Specifically, the Water Planning Council, established by the legislature as a permanent body to examine key issues regarding overall water resource management, has made progress in meeting its mission but has limitations. Also, in terms of overall water resource planning and allocation, such efforts occur in the state, but to a limited degree with no comprehensive statewide plan in place. State law has required a process for evaluating water resources from a quantity perspective, yet the state lacks a fully comprehensive system based on sound planning to allocate water resources among the multitude of users. A thorough examination by the Water Planning Council as to the proper governing structure for water resource management is also necessary.

The committee made several recommendations in the area of water diversions. The state has devised a process for “allocating” water resources whereby specific diversions from watercourses must first be reviewed by the Department of Environmental Protection before operation. The process is based on a first-come, first-served principle rather than a formal allocation process established through sound planning, data collection, and analysis. The state has also established a two-tiered diversion structure. Diversions existing prior to 1983 and registered with DEP are exempt from the requirements of the state’s water diversion act with limited state oversight. Diversions not registered at that time, and falling within specific statutory and regulatory conditions, must be reviewed by DEP and issued a state permit. Further, DEP does not have statutory or regulatory authority to retire unused or unwanted registered diversions.

A major issue among competing interests for water resources is how much water is actually needed for “proper” stream flow to meet instream and out-of-stream demands. The state has minimum stream flow standards required by regulation, but they only apply to watercourses DEP stocks with fish. DEP considers the current minimum flow standards of limited value and use, and does not pro-actively enforce them. There are also no uniform stream flow standards in place for all watercourses statewide, and the comprehensive planning and allocation system necessary to develop such standards currently does not exist in the state. At the time of the committee’s study, the Water Planning Council had not been able to thoroughly complete its review of the minimum stream flow issue due to various factors, including the complexity of devising minimum flow standards.

Legislation/Compliance. The committee raised SB 365 to implement some of the committee recommendations, which did not pass. However, another bill, HB 5608, which was enacted into P.A. 04-185 contained a provision to keep registered diversion operating data coming into DEP.

Summary of Compliance with Committee Recommendations

| Recommendation | Status After One Year: 2004 | Comments |
|--|------------------------------------|--|
| <p>1. The Water Planning Council should develop a comprehensive, master strategic approach and plan for identifying, analyzing, synthesizing, and implementing the various findings and recommendations set forth in the Council's annual report, subcommittee reports, workgroup reports, Advisory Group report, and staff-developed work plan.</p> | <p align="center">Partial</p> | <p>The WPC reports that various planning components of a master strategic approach have, as much as practicable, been incorporated in the Council's work plan. The Council, however, needs to identify the tasks it wants to achieve during 2005.</p> |
| <p>2. The Water Planning Council should identify the administrative resources necessary to ensure the overall efficiency and effectiveness of its processes and procedures. Formal requests for any necessary staff or budget resources should be made through the Office of Policy and Management.</p> | <p align="center">None</p> | <p>The Council indicates that no request has been made for administrative resources due to the fiscal climate of the state. The Council believes it would be problematic and perceived by the public as irresponsible to prioritize funding for new state resources during a time when the public has been requested to "exercise fiscal constraints on local funding." Funding to maintain the Council's work continues to come from the agencies represented on the Council.</p> |
| <p>3. The Water Planning Council shall develop and approve the long-range statewide water resource plan required by law. The Council shall integrate individual Water Utility Coordinating Committee plans, the state's Plan of Conservation and Development, and any other planning documents deemed necessary to develop a statewide plan. The plan shall include short- and long-range objectives and strategies for achieving those objectives, be developed by July 1, 2005, and formally updated</p> | <p align="center">None</p> | <p>This was a legislative proposal that was not approved during the 2004 session. The WPC, however, has said the state Plan of Conservation and Development is in the process of being finalized with "considerable activity" in the area of the Water Utility Coordinating Committee process (WUCC). The Council believes this has the potential to form a basis for a statewide plan.</p> |

Summary of Compliance with Committee Recommendations

| Recommendation | Status After One Year: 2004 | Comments |
|--|------------------------------------|---|
| every five years thereafter. | | |
| 4. The Council should continue to explore ways to fully integrate comprehensive water resource planning on a statewide basis taking into account overall water supply and demand. This should include establishing a more functional regional water resource planning structure than the current Water Utility Coordinating Committee system. The Council should further examine whether the current WUCC structure is the most efficient and effective for public drinking water supply planning on a regional basis. | Partial | The Council has prioritized the WUCC process in terms of making it a more water resource accommodating process, which is near completion. Other ways to integrate water resource planning after the WUCC legislative process has been made are also under consideration by the Council, including modifying the diversion legislation. The Council has determined that no one process, nor one agency, can be the administrative platform for water allocation. Legislative changes in multiple areas that link diverse components of water planning are being considered to construct a strategic legislative framework that would, in essence, become the elements of a statewide allocation process. |
| 5. DEP and DPH should work jointly to determine whether the statutorily-required individual water supply plans and Water Utility Coordinating Committees' integrated water plans include sufficient information to adequately plan for and implement the state's water diversion program within the DEP and for overall water resource management. | Partial | The departments have met on several occasions, including prior to the required July 1, 2004, date and continue to collaborate on changes to the WUCC legislation, developing a common GIS data sharing process, and ways to improve the plan review process. |
| 6. The Water Planning Council shall develop, operationalize, and oversee implementation of a structured approach for water resource planning and allocation on a comprehensive statewide basis. Such a system shall authorize the Water | None | This was a legislative proposal that was not passed in the 2004 legislative session. The Council responded that no progress has been made in this area because it is too premature. (As mentioned above, the statewide |

Summary of Compliance with Committee Recommendations

| Recommendation | Status After One Year: 2004 | Comments |
|--|------------------------------------|---|
| <p>Planning Council to identify stream flow goals based on proper planning and scientifically quantifiable data, prioritize/apportion water among users, and oversee an efficient water diversion permitting process to effectively allocate water resources.</p> | | <p>process to reconfigure the WUCCs, improve efficiencies, and support water allocation has been under review by the Council.)</p> |
| <p>7. The Water Planning Council shall establish a multi-stakeholder group by July 1, 2004, to begin developing short- and long-term strategies for implementing a comprehensive water allocation planning process. The Council shall prioritize the steps necessary to implement a water allocation system, outline the resources required to fulfill those steps, and formulate/submit any requisite legislation and funding requests.</p> | <p align="center">None</p> | <p>Although the Council established an Advisory Group in 2003 made up of stakeholders to advise the Council on its various responsibilities, no subgroup was established to implement this recommendation. During 2004, the Council focused on changes to the WUCC system. The Advisory Group, however, met infrequently during 2004. Further, a “retreat” was conducted at the end of 2004 “refine and further develop the collaborative process necessary to addressing the Council’s responsibilities.” The retreat facilitator submitted a report to the Council, but there has been no indication in the report on how the Council/Advisory Group will proceed to address any outstanding questions/issue areas.</p> |
| <p>8. The Water Planning Council should establish a multi-stakeholder workgroup by July 1, 2004, to study the issue of increased interagency coordination regarding water resource management and planning, as recommended in the Council’s January 2003 report to the General Assembly and the November 2003 report of the Council’s Advisory Group. The workgroup should report to</p> | <p align="center">None</p> | <p>No workgroup was established and no report was made to the Council to implement this recommendation. As referenced above, the Council and the Advisory Group held a retreat in late 2004 to address issues between the two entities.</p> |

Summary of Compliance with Committee Recommendations

| Recommendation | Status After One Year: 2004 | Comments |
|---|------------------------------------|---|
| the Council by October 1, 2004. | | |
| 9. Any person or entity maintaining a lawfully registered water diversion shall periodically file with DEP diversion information the department deems necessary for proper planning/allocation purposes and, to the extent feasible, in a compatible electronic format determined by the department. The information shall at least include water withdrawal quantities by time of year and the purpose of the diversion. | Partial | Public Act 04-185 requires any person or municipality operating a diversion as of July 1, 2001, to annually report to DEP current diversion operating data basis. DEP reports it is working on completing the requirements of the Act. The required workgroup, to be appointed by the Water Planning Council, to develop the necessary data collection forms has not been established. DEP also reports that no funding has been received to design or implement a data collection system. (Note: PA 04-185 simply extends a previous data collection effort on part of DEP required by the legislature for 1997-2001.) |
| 10. DEP, in conjunction with other appropriate state agencies, shall annually report on the status of all water diversions statewide. Such report shall be submitted to the legislative committees of cognizance and the Water Planning Council each January 1. DEP shall also develop key performance measures for its water diversion program and report its progress in meeting such measures. | None | This legislative proposal was not passed in 2004. DEP drafted and presented to the Council a legislative proposal for 2004 to implement several Water Allocation subcommittee recommendations, including requiring diversion operators to report cumulative monthly withdrawal data. The proposal was not passed and DEP is not pursuing similar legislation in 2005. |
| 11. Registered diversion operators shall periodically re-register their diversions with DEP through a process developed by the department. Unused or unwanted water diversion registrations shall be retired through a process established by | None | This legislative proposal did not pass the 2004 legislative session. |

Summary of Compliance with Committee Recommendations

| Recommendation | Status After One Year: 2004 | Comments |
|--|------------------------------------|---|
| DEP. | | |
| 12. The Water Planning Council should adopt an interim stream flow methodology by July 1, 2005, that can be used for all months of the year for planning, environmental analyses, and permitting purposes. | Partial | (Note: DEP indicates fiscal constraints impede development and implementation of such “far-reaching products” outlined in recommendations 12-18.) The department indicates some progress has been made with addressing stream flow issues, including recommending to the Water Planning Council (in 2003) that a new stream flow methodology be discussed. The Council, however, could not decide on flow rates for low-flow summer months. Thus, the department is applying a revised stream flow methodology that estimates stream flows in a consistent manner for all months. |
| 13. DEP shall convene a workgroup, as recommended by the Water Planning Council, to examine revising minimum stream flow regulations (and establishing a long-range stream flow protocol consistent with the WPC stream flow subcommittee’s recommendation and the Council-endorsed water allocation planning model.) DPH shall prepare a report by 1/1/05, identifying the overall effects on margin of safety and safe yield levels of all impoundments used for public drinking water statewide if the stream flow rates identified in the Apse methodology were applied as regulatory standards. | None | DEP did not convene this workgroup and no report was developed by the public health department by the January 1, 2005 deadline. |
| 14. The Water Planning Council, state agencies, and various stakeholders shall | Partial | The stream gauging workgroup of the Council submitted a report to the |

Summary of Compliance with Committee Recommendations

| Recommendation | Status After One Year: 2004 | Comments |
|---|------------------------------------|--|
| <p>continue to work towards developing long-term stream flow rates for all months of the year. Any long-term stream flow standards shall be developed through scientifically-defensible means and thorough data collection for a better understanding of the relationship between stream flow, water resource demands, and ecological value.</p> | | <p>Council in 2003 recommending further statistical analysis be conducted. DEP continues to seek funding to further these efforts.</p> |
| <p>15. Any revised stream flow rates developed through the Water Planning Council, or any other state agency, and specified in state law or regulation as standards shall be applicable to all watercourses throughout the state regardless of whether they are stocked with fish by the Department of Environmental Protection.</p> | <p align="center">None</p> | <p>Revised stream flow rates have not been developed.</p> |
| <p>16. By July 1, 2004, the Water Planning Council shall convene a workgroup to plan an optimal strategic stream gauge network. The new system, devised by the workgroup by October 1, 2005, shall be compared with the current system to identify gaps and resource needs. The Water Planning Council shall develop an appropriate plan to begin implementing the network.</p> | <p align="center">None</p> | <p>Although the stream gauge workgroup established by the Council in 2003 submitted a report to the Council, this was a preliminary step toward developing an optimal strategic stream gauge network. The Council did not convene another workgroup to examine this issue during 2004.</p> |
| <p>17. Diversion operators subject to minimum stream flow release regulations should regularly submit release data to DEP showing whether the flow regulations are met on a consistent basis. The data requirements shall be determined by DEP.</p> | <p align="center">None</p> | <p>This legislative proposal did not pass during the 2004 legislative session.</p> |

Summary of Compliance with Committee Recommendations

| Recommendation | Status After One Year: 2004 | Comments |
|---|--|--|
| 18. DEP shall develop and maintain an appropriate database for minimum stream flow release information and begin a proactive enforcement process to ensure full compliance with minimum stream flow release amounts based in part on information received from water purveyors. | None | The compliance response does not address this issue. |

2002 Studies: Compliance

Overview

The program review conducted six studies in 2002, listed below. Calendar years 2003, 2004, and 2005 mark the three year time period during which, by committee practice, recommendations from these program review studies are being followed to gauge implementation. Compliance status after two years is reported here on each of these studies.

- Connecticut Resources Recovery Authority (CRRA) and Other Quasi-Public Agencies
- Department of Mental Retardation: Client Health and Safety
- Board of Education and Services for the Blind Vending Machine Operations
- Regional School District Governance
- UConn 2000 Construction Management
- Energy Management by State Government

Connecticut Resources Recovery Authority (CRRA) and Other Quasi-Public Agencies (December 2002)

The committee's study of the Connecticut Resources Recovery Authority (CRRA) and Other Quasi-Public Agencies was an outgrowth of CRRA's loss of \$220 million in the bankruptcy of the Enron Corporation and a number of media stories about the personal use of the authority's resources. The study examined whether CRRA should continue to be operated as a quasi-public agency (QPA), changed to a state agency, or eliminated with its role being assumed by the private sector, and if selected practices of the state's other quasi-public agencies merited legislative attention.

The committee's two major findings were: 1) any change in CRRA's operating structure prior to 2015 would require renegotiating existing agreements with municipalities, vendors, and bondholders; and 2) the state's quasi-public agencies are not in compliance with the spirit of C.G.S Section 1-122, or in selected instances the requirements of C.G.S. Section 1-123, governing the reporting of information to the General Assembly and the public.

To remedy these and other problems found by the committee it made both legislative and administrative recommendations. The proposals were to continue CRRA over the near term, provide a means for exploring long-term options for municipal solid waste disposal, and increase public confidence in the operation of all quasi-public agencies. The status of the legislative recommendations is set out below.

| Summary Of Implementation of Committee Recommendations | | |
|--|---|---|
| Recommendation | Status After Two Years 2003 & 2004 | Comment |
| <p>Reports required by C.G.S. Section 1-122 and Section 1-123 should be submitted to the Legislative Program Review and Investigations Committee for an assessment as to whether the reports meet the statutory requirements. Within 30 days of receiving a report, the program review committee should notify those designated to receive the report of its availability and the committee's assessment of the report's compliance with legislative intent.</p> | <p>Full</p> | <p>Enacted by PA 03-133, effective July 1, 2004</p> |
| <p>The State Auditors of Public Accounts shall be responsible for performing or contracting for the performance of all compliance and financial audits of the quasi-public agencies identified in C.G.S. Section 1-120. Each quasi-public agency shall annually pay the state auditors for the cost of the audits, whether performed by in-house audit staff or through a contract with an outside audit firm.</p> | <p>Full</p> | <p>Enacted by PA 03-133, effective July 1, 2004</p> |

Department of Mental Retardation: Client Health and Safety (December 2002)

In March 2002, the program review committee began an investigation into how well the policies and practices of the department and its contracted provider agencies address the safety and physical well-being of DMR clients living in Community Living Arrangements (i.e., group homes). The committee's investigation was requested by a vote of the Joint Committee on Legislative Management on January 30, 2002.

The investigation was prompted by a series of articles in the Hartford Courant in December 2001, about deaths of clients in group homes either run or funded by DMR. A central

question of the investigation was whether deaths resulted from systemic weaknesses in the DMR system.

The committee found:

- persons who died in group homes often had serious medical conditions preceding death, and, as a group, those clients were more medically fragile than the death cases highlighted in newspaper stories;
- group homes are licensed and regulated facilities with systems in place to address risks to clients, but in several deaths those practices were either overlooked or not properly implemented; and
- there is a lack of coordination and oversight among many of the regulatory and monitoring mechanisms DMR and other agencies have in place to ensure client health and safety.

The committee approved 12 recommendations focusing on: enhancing oversight effectiveness in such areas as licensing, inspections, and abuse and neglect investigations; improving oversight coordination by updating and strengthening regulatory requirements, especially those dealing with emergency situations; and improving department management systems.

Five recommendations (or portions of recommendations) required statutory change and were incorporated into SB 971, which impacted both the Department of Mental Retardation and the Office of Protection and Advocacy for Persons with Disabilities (OPA). Following a public hearing, modifications were made to the bill, and the substitute bill was passed into law (P.A. 03-146).

The table below summarizes compliance by DMR and OPA with the committee’s recommendations in several major areas including: upgrading regulations; case management; contract monitoring; licensing and inspections; abuse and neglect investigations; and post-death reviews. The compliance covers the progress made by the two agencies through 2004.

| Summary of Compliance with Committee Recommendations | | |
|---|---|---|
| Recommendation | Status After Two Years 2003 & 2004 | DMR Response |
| Regulations Upgrade | | |
| P.A. 03-146 requires DMR to upgrade its regulations by July 1, 2004, to address emergencies that pose a threat to client health and safety. | Partial/ Behind schedule | DMR initially indicated in its compliance response re: 2004 activities that its target date to provide notice on these regulations in the Connecticut Law Journal was March 2005. However, no copy of the draft regulations was |

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| <p>Specifically, the updated regulations are required to:</p> <p>1) ensure all direct care staff are certified in CPR in a manner and timeframe prescribed by DMR.</p> <p>2) Require records of staffing schedules and actual hours worked be available for inspection.</p> <p>3) Require emergency plans to include material beyond fire safety.</p> <p>4) Require licensing inspectors</p> | <p>Partial</p> <p>Partial</p> <p>Partial</p> | <p>provided with the response, and DMR subsequently reported it would be at least April 2005 before the regulations were be ready for legal notice. Part of the delay is due to DMR recently obtaining a Home and Community-based waiver from the federal government and the department needing time to ensure any revised regulations are complementary, or at least not inconsistent, with provisions in the new waiver.</p> <p>DMR indicates its draft regulations will provide mechanisms to address CPR certification of all staff “in a manner and timeframe prescribed by the commissioner”, but the department has provided no documentation that it has taken any steps to assure CPR certification of direct care staff in DMR or private provider homes.</p> <p>The department’s compliance response last year re: 2003 activities noted the contracts for 2004 with providers require the staffing schedules to be kept. This year, DMR notes its draft regulations are designed to address this requirement. In the meantime, licensing inspectors currently review when specific issues related to staffing occur – to date, no problems have been noted concerning the availability of staffing schedules and actual hours worked.</p> <p>DMR states some modifications to the regulations regarding emergency management and response were necessary and are in draft form. Licensing staff routinely checks on all safety alerts (including risk assessments), transportation vehicles, and specific operations plans established for improved communication of client information in emergency situations.</p> <p>DMR has established a new Quality Review and Improvement System that includes a</p> |
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| verify direct care staff knowledge of emergency situation and a summary of client medical information is available for EMS personnel in an emergency. | Partial | standard component of interviewing the direct support staff. The system has been piloted twice and will be expanded as an important quality and improvement element under the new waiver. |
| Case Management | | |
| DMR should develop standards for case management, and procedures to ensure they are implemented. | Full | <p>Since 2002, DMR has:</p> <ul style="list-style-type: none"> • established job performance standards for case managers and procedures for frequency of contact, review of individual plans and documenting functions – e.g., information to include and a timeframe for updating progress notes; • implemented a system whereby case management supervisors evaluate and document the performance quality of the case managers they supervise; • begun using standards for recruiting, setting work expectations, and for training. DMR indicates the system will be evaluated and modified as necessary after six months of implementation. |
| Human Rights | | |
| DMR should amend its human rights (HR) policy to include specific considerations for regional HR committees to use in decisions, especially balancing health and safety concerns. | Partial | DMR has determined that various drafts of a new human rights policy, originally enacted in 1986, require substantial additional drafting, including the area of health and safety concerns. The department states it is committed to ensuring completion of a revised policy will be “sufficiently directive” concerning an assessment of “rights” versus “safety” in all matters reviewed. The department provided the most recent revisions, but did not indicate a date for expected completion. |
| Abuse and Neglect (A/N) Investigations | | |
| DMR should develop timeframe standards for investigations and track compliance with standards. | Partial | DMR indicates that during 2004 a draft procedure for A/N investigations establishes a 60-day standard for completing investigations rather than the previous 45 days. Regional A/N liaisons, as well as Office of Protection and |

| | | Advocacy, keep track of all public and private investigations for timeliness and accuracy. DMR did not indicate in its response the number of cases completed that met the timeliness standard. | | | | | | | | | | | | | | | | | | | | |
|---|------------------|---|-------------------------------------|--|--|--|--------|------------------|----------|-------------------|-------|-----|-----|----------|-------|-----|-----|----------|------|-----|-----|-----------|
| DMR should develop a protocol for monitoring and reviewing investigations done by private providers | Partial | <p>During 2003, DMR hired a special investigative assistant (SIA) whose primary function is to review private sector A/N cases for quality and content. During 2004, there were 559 private A/N cases, and 109 were reviewed by the SIA (less than 20%). This is a smaller ratio than the reported 1/3 of cases reviewed by the SIA during 2003. This was apparently due to: 1) the SIA assuming interim responsibility for the prior Director of Investigations (DOI) who retired, before the new DOI was appointed; and 2) the SIA then retiring himself late in 2004, leaving the position currently vacant. DMR indicates that all cases are monitored by the regional A/N liaisons and OPA. However, program review continues to believe a protocol or standard should be developed to evaluate the comprehensiveness and completeness of these investigations. Below is DMR's investigative activity for 2004.</p> <table border="1" data-bbox="820 1182 1367 1367"> <thead> <tr> <th colspan="4">DMR 2004 A/N Investigation Activity</th> </tr> <tr> <th>Region</th> <th># Investigations</th> <th># Closed</th> <th>A/N Substantiated</th> </tr> </thead> <tbody> <tr> <td>North</td> <td>305</td> <td>194</td> <td>69 (36%)</td> </tr> <tr> <td>South</td> <td>355</td> <td>197</td> <td>73 (39%)</td> </tr> <tr> <td>West</td> <td>434</td> <td>288</td> <td>121 (42%)</td> </tr> </tbody> </table> | DMR 2004 A/N Investigation Activity | | | | Region | # Investigations | # Closed | A/N Substantiated | North | 305 | 194 | 69 (36%) | South | 355 | 197 | 73 (39%) | West | 434 | 288 | 121 (42%) |
| DMR 2004 A/N Investigation Activity | | | | | | | | | | | | | | | | | | | | | | |
| Region | # Investigations | # Closed | A/N Substantiated | | | | | | | | | | | | | | | | | | | |
| North | 305 | 194 | 69 (36%) | | | | | | | | | | | | | | | | | | | |
| South | 355 | 197 | 73 (39%) | | | | | | | | | | | | | | | | | | | |
| West | 434 | 288 | 121 (42%) | | | | | | | | | | | | | | | | | | | |
| DMR should investigate whether staffing was an issue in cases of alleged abuse and neglect. | Partial | As in last year's compliance report, DMR indicates it does <u>not</u> review staffing in all investigative cases, but only if there is an identifiable reason to do so. DMR does not have the data to report on how many times staffing was examined as part of an investigation. | | | | | | | | | | | | | | | | | | | | |
| DMR's Division of Investigations should review all sudden/unexpected deaths to determine if abuse/neglect is suspected. | Full | Full in 2003, with desk audits by nurse investigators, and reporting to OPA as required by P.A. 03-146. | | | | | | | | | | | | | | | | | | | | |

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| All cases of serious injury requiring hospital or ER treatment should be submitted to the Division of Investigation for review. | Partial | DMR reported in its 2003 compliance response that it had implemented such a procedure, effective September 15, 2003. However, this year DMR indicates that during FY 04, all 103 “injuries of unknown origin” were submitted to the Division of Investigation for review. |
| P.A. 03-146 mandates that the responsibility for conducting investigations – in cases of death of persons under DMR care where allegations that the death might be due to abuse or neglect – be transferred from DMR to OPA | Full | Responsibility was transferred from DMR October 1, 2003. (See OPA response below) |
| Contract Performance | | |
| P.A. 03-146 mandates that DMR monitor performance of contracts and enforce provisions established in the act when poor performance is found. | Partial | In October 2003, DMR developed procedures to enhance contract monitoring. The procedures establish three progressive phases of corrective action, but those do not include monetary sanctions as outlined in the legislation. The department states it is concerned funding reduction provisions might alarm consumers, but will review this provision for possible inclusion in the FY 06 Master Human Services Contract. During 2004, three providers received enhanced contract monitoring by the department. DMR reduced the contract period for two of the providers and continues to monitor their progress. |
| DMR Administrative Actions | | |
| DMR should administratively: Begin compiling data on number of consecutive staff hours worked in cases of abuse/neglect. Better link appropriate placement of, and payment for, DMR clients. | None Partial | No data compiled. DMR indicates the issue is discussed during investigator training. DMR reports significant progress in this area during 2004, using a grant from Centers for Medicare and Medicaid. It has hired an |

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| | | independent research group to complete all activities to develop a “level of need” assessment tool. To develop this tool the contractor has organized a steering committee, held focus groups and performed quantitative analysis, analyzed about 340 client assessments using a draft of the tool, and plans to modify the tool and initiate use in July 2005. Further refinements anticipated in FY 06. Funding modifications and new budgeting processes will be developed to implement. |
| Develop a better vacancy tracking system to better manage and refill vacancies when they occur. | Partial | DMR continued to modify its vacancy tracking system during 2004. It indicates that it transferred the responsibility for reviewing the vacancy data from central office to the regional Planning and Resource Teams, and that regional directors also review the data. The vacancy issue was also addressed at the November 2004 Private Provider Council meeting. DMR states it has standardized its referral information and requires that 3 referrals be sent when a vacancy occurs. |
| Licensing and Inspections | | |
| Conduct all licensing inspections within the specified regulatory timeframe. | Partial | Fifteen percent of the 396 licensing inspections during 2004 were conducted past their due date during 2004. DMR notes the reasons for the current backlog are due to the licensing unit being short one full-time inspector, losing one of two part-time inspectors, and an increase in the number of CLAs needing inspection over the course of the year. |
| DMR should fully enforce CLA licensing regulations using its full range of enforcement actions, including fines allowed by statute. | Partial | DMR says it continues to use enforcement actions such as one-year licenses, compliance orders, and unannounced inspections. The department cannot commit to using monetary fines for enforcement due to limited resources. |
| The licensing and inspection unit should oversee the entire licensing/inspection process. | Full | The unit currently oversees the licensing and inspection process. The unit collaborates with regional staff for follow-up duties. A new system is being implemented by DMR to integrate regional quality oversight activities with central office reviews and will include an enhanced follow-up process. Quality |

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| | | improvement plans will be used in addition to the current plans of correction. |
| DMR services and systems unit staff used to inspect regional centers should be transferred to the CLA licensing/inspections unit by July 1, 2003. | None | DMR opposes this recommendation and the transfer has not taken place. The department notes services and systems unit staff continues to inspect the Southbury Training School, per a court order, and will be involved in the Quality System Review process. |
| Licensing inspectors should incorporate a more interactive inspection approach with direct care staff during inspections. | Full | The increased unannounced visits during 2003 allowed DMR to inspect CLAs when direct clients and staff were at home. This created more interaction among inspectors/regional staff, clients, and provider staff. DMR notes in its response covering 2004 that the department continues implementation of the new "Quality System Review"(QSR) process, with various phases of the process being piloted. QSR uses several approaches to review provider performance and improve quality in six main areas, including health and safety. |
| More interaction between licensing/inspection staff and direct care staff should occur, including verbal questioning to ensure group home staff members are aware of how to handle client health and safety issues. | Full | Licensing and inspection staff assess direct care staff members' awareness of client health and safety issues and what actions to take during particular emergency situations. Available staff is also asked to show evidence that systems are in place to ensure client health and safety. |
| Half of all standard biennial licensing inspections should be conducted on an unannounced basis (this is in addition to unannounced "follow-up" inspections.) | None | DMR has not fulfilled this recommendation. The department uses a more holistic encompassing approach toward unannounced inspections by incorporating unannounced follow-up visits with biennial inspections. Follow-up visits, by their nature, are not as thorough as biennial licensing inspections. Further, follow-up visits are generally conducted by regional staff and not by central office licensing/inspection staff. |
| Unannounced on-site visits by licensing inspectors for all plans of correction resulting from inspections should occur following within 30 days after the department approves the | Full | All follow-up visits for plans of correction conducted by central office inspection staff are unannounced. (The department's regional staff may conduct unannounced visits depending on the type of visit.) Visits are not necessarily conducted within 30 days of receipt |

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| plan of correction, unless a revised timeframe is approved. | | of an acceptable plan of correction, but are typically based on the level of concern following an inspection. “Urgent” citations require an immediate plan of remediation and will receive a follow-up visit if deemed necessary. |
| Make full use of automated licensing/inspection data for management analysis purposes | Full | Licensing inspection data are used for various purposes, including identifying repeat citations and non-compliance of identified citations, identifying poor provider performance, and identifying statewide performance problems. The system has not incorporated providers’ corrective actions taken to rectify citations issued during inspections. |
| Emphasize compliance and enforcement for DMR homes. | Partial | The addition of regional quality monitoring in public and private homes twice yearly has allowed DMR to focus on regulation compliance/enforcement in state and privately operated homes. The department notes the majority of central office licensing “follow-up” visits have been conducted in homes operated by DMR. More emphasis is needed, however, in getting public homes to submit timely plans of correction. A recent sample of 273 inspections reviewed by DMR revealed 40 percent of public homes submitted their plans late, while the rate was 13 percent for private homes. |
| Post-Death Review | | |
| Conduct timely and comprehensive post-death reviews into the events, overall care, quality of life issues, and medical care preceding a client’s death. | Full | <p>Regional mortality reviews are conducted according to DMR policy; cases are referred to the Independent Mortality Review Board per policy; and at least 10 percent of cases not requiring IMRB review are selected by the board for quality control purposes.</p> <p>The DMR standard for completing regional mortality reviews is within 90 days of death. The IMRB must be notified by the region if this standard cannot be met. For FY04, 26% of the regional reviews were conducted within three months of death, 50% within 3-6 months, 18% within 6-12 months, and 6% within 12-24 months.</p> |

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| DMR and the IMRB should use the mortality review database developed through the department's health and clinical services unit to examine client deaths from a broad management perspective | Full | The IMRB identifies systemic issues and whether such issues have statewide significance. If so, modifications to client health/safety systems may be made. Mortality data are also reviewed for trends, service gaps, and areas for improvement. |
| Ensure any death involving an accident, or where an accident was considered a contributing factor, is categorized as an unexpected, accidental death in relevant department records. | Full | Any death categorized as "accidental" by the OCME is documented in DMR records, including the mortality review database, as an "accidental" death. According to law, only the OCME may determine the manner of death as anything other than "natural." |
| OPA Role In Post-Death Investigations | | |
| Recommendation | Status | OPA Response |
| P.A. 03-146 transfers investigative responsibility for cases of DMR client deaths where abuse or neglect is suspected to have contributed to death to OPA. | Full | Since the investigative responsibility was transferred in October 2003, OPA has received and initiated investigations into 16 such cases. Investigations have been completed in six of the cases, and in five of those neglect was substantiated. In the sixth case, both abuse and neglect were substantiated. |
| P.A. 03-146 requires OPA, in consultation with DMR, to develop protocols on conducting the investigations in cases of certain DMR-client deaths. | Partial | <p>OPA indicates it developed specific protocols for pursuing these death-related investigations, and it was shared with DMR as a proposed amendment to the interagency memorandum of agreement (MOA) that is still under negotiation between the two agencies – although the last formal communication on this MOA was in October 2003.</p> <p>OPA did request legislation to require DMR to report deaths to OPA within 24 hours of when abuse or neglect is suspected. The General Assembly enacted P.A. 04-12 in response, and OPA has established an On-call system to ensure response to those reports is immediate, even on weekends and holidays.</p> <p>OPA also indicates it has developed a tracking procedure to ensure follow-up on recommendations made as a result of an investigation, but notes that OPA does not have the authority to require DMR compliance</p> |

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| | | with recommendations. |
| P.A. 03-146 required DMR to transfer one investigator position to OPA to carry out the investigations. | Full | Full compliance reported in 2003 on the transfer of this position. |

Board of Education and Services for the Blind Vending Machine Operations (December 2002)

In 2002, the Legislative Program Review and Investigations committee completed a study of the vending machine program administered by the Board of Education and Services for the Blind (BESB). Since 1945, BESB has been authorized to operate vending machines in all state and local public buildings. In 1999, BESB entered a statewide contract with a single vendor and began expanding its locations in town and school buildings.

The main focus of the program review study was to determine whether state policies and procedures related to BESB vending machine operations provided adequate accountability and promoted the most efficient and effective use of the revenues generated. The committee found BESB failed to take the steps needed to ensure the vending program operates uniformly and the vendor complies with all provisions of the agreement. As a result, the committee recommended:

- reiterating the intent of the vending machine program is to provide funds to create and maintain employment opportunities for individuals who are blind;
- improving contract management through the adoption of operating procedures and increased oversight of vendor compliance with all contract provisions;
- revising the allocation of program revenue to ensure money does not go unused for long periods of time; and
- limiting mandatory participation under the contract to state government sites.

In addition, the committee proposed that if BESB had not taken specific steps to manage the statewide vending machine contract by March 1, 2003, then the agency should become a subdivision of the Department of Social Services.

BESB did not complete all of the recommended actions. Nonetheless, the legislature allowed the agency to continue to operate. However, the General Assembly established a 14-member council to monitor the activities of BESB “in carrying out its mission and statutorily prescribed duties” as well as implementation of the administrative recommendations in the program review committee’s study. The first council meeting was held in January 2004. The council was scheduled to complete its work by July 2004, but Public Act 04-90 extended the deadline to July 2005 and Public Act 05-5 extended it to January 1, 2006.

BESB made progress toward compliance with the administrative contract management recommendations but certain issues remain outstanding. The table on the following pages lists all of the recommendations from the committee’s original report. The February 2003 row under each recommendation describes agency activities immediately after the committee’s report was released. The March 2004 row summarizes information provided by BESB in March 2004. The February 2005 row describes the status of implementation at that time based on the committee staff’s analysis of a number of BESB documents provided in February 2005.

The program review committee’s report contained one recommendation involving the Department of Public Works. The report recommended guidelines be established regarding the types of products and services that can be offered for sale within state-owned and leased space and who is authorized to make such sales. To date, that action has not occurred.

| Summary of BESB Compliance with Program Review Recommendations In Years 2003 & 2004 |
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| <p>1. BESB’s share of revenue from the vending machine program be used for direct support of vending facility operators and development of jobs for blind individuals*</p> <p>2. BESB report annually on the number/type of new jobs created for blind individuals*</p> |
| <p>February 2003: The Business Enterprise Program (BEP) within BESB is responsible for developing business ventures for adults who are legally blind, including the provision of training and business consultation services to operators of vending facilities in public buildings.</p> <p>In January 2003, BESB agreed “the great preponderance of vending machine money should be used to develop entrepreneurial and employment-related opportunities and skills for blind residents.” BESB indicated 90% of the vending money spent from January 2001 through December 2002 provided support and training to 36 blind entrepreneurs, 3.5% provided computer training and community/workplace skills to 13 blind youth who are potential entrepreneurs, and 6.5% provided low vision evaluations and aids to approximately 600 blind residents. BESB said it wanted to continue using vending money for the latter purpose because the General Fund appropriation for that program had not kept up with demand.</p> <p>Regarding the proposed annual report on the number and type of new jobs created, BESB indicated legislation was not needed because such information is available in BESB’s annual Administrative Report and an update published quarterly.</p> |
| <p>March 2004: BESB says the major, non-BEP program that vending revenue was spent on in FY 02 and FY 03 was low vision screening exams and equipment. In FY 02, this comprised 6% of BEP expenditures (~\$82,000); in FY 03, 4% (~\$54,000). For FY 04, BEP dollars for the low vision program will stay about the same, but overall BEP expenditures will increase from \$1.5 million in FY 03 to \$3.7 million in FY 04. This includes \$800,000 for activities related to closing out the Industries program (e.g., contractors to help laid off workers find jobs and a one-time payment of \$283,000 to the National Industries for the Blind for t-shirts made for the army, but returned due to poor workmanship.) BEP also expects to spend \$1.3 million renovating eight</p> |

**Summary of BESB Compliance with Program Review Recommendations
In Years 2003 & 2004**

to 10 new or existing vending facility locations.

With respect to tracking job creation, information in the administrative reports is limited (e.g., the 2002-2003 report said BESB “provided funding for six clients to establish small business ventures.”) In January 2004, BESB indicated “BEP funds have created 10 new business opportunities during the past 12 months.” However, a PRI review of lists of vending locations prepared by BESB since 2001 found BEP had 29 facility operators at 31 locations in October 2001. There were 33 operators at 36 locations in February 2004. During that period, seven new sites opened; two closed. Only 18 locations had the same operator in 2004 as in 2001. During that period, 19 new operators began, 15 left, including four of the new operators, and six changed locations. In February 2004, 17 operators employed a total of 83 people, ranging from one to 30 workers, none of whom were blind.

February 2005: BESB reports expenditures of \$2.7 million in FY 04. Renovation costs at new and existing locations were \$0.7 million, approximately half the original estimate. BESB claims this was due in part to competitive bidding yielding lower costs. Likewise, costs of approximately \$211,000 for the liquidation of BESB Industries were less than half the projected cost. BESB states this was due to a higher level of Vocational Rehabilitation funds being used for this purpose, and \$568,513 in commitments being carried forward into FY 05.

As of January 2005, BEP has 30 vending facility operators at 39 locations. Currently, these operators employ 79 individuals, only one of whom is legally blind. BEP operators do their own hiring and are not required to inform BESB when openings occur. The agency expects to address this issue by making it a condition that job openings be shared with the agency for recruitment purposes, if an operator chooses to seek income supplements from BESB.

During the summer of 2004, seven BESB students were given the opportunity to work at vending locations, and a new Mentoring Camp experience also featured a tour of a BEP location. BESB hopes these initiatives will increase interest in placements as entrepreneurs and workers at vendor locations.

3. Future BESB vending machine contracts be executed through DAS, and no proposals for new or renewal products/services through vending machines without OPM approval

February 2003: In January 2003, BESB said “all future vending machine contracts shall be aligned with the statutory requirements that apply to state procurement and contracting.” BESB indicated it asked OPM for approval to enter into two personal service agreements (PSAs) -- a “comprehensive review and audit of Coca-Cola operations, management, financial and other controls, financial reporting, and other aspects of compliance” and “an ongoing program of field audit activities of Coca-Cola operations.”

In February 2003, BESB said it received approval from OPM to issue Request for Proposals (RFPs) for two independent audits -- one regarding Coca-Cola contract management, operations, and internal controls; the other to supplement BESB staff in the ongoing field audit program targeted at vending machines, including the accuracy of sales reporting and payments,

**Summary of BESB Compliance with Program Review Recommendations
In Years 2003 & 2004**

maintenance of equipment, vending prices, and compliance with the terms of the contract.

BESB also notified Coca-Cola on February 28, 2003, that BESB planned to engage independent audit firms “to carry out a review of Coca-Cola’s contract management and internal controls in selected areas” and to “develop and carry out an ongoing vending machine field audit process.”

March 2004: BESB never issued either RFP mentioned in the February 2003 update.

In January 2004, BESB indicated an August 2003 audit of the schedule of gross sales and commissions for FY 03, prepared by Fasulo & Albini, the certified public accountants hired by the Coca-Cola Bottling Company of New England in accordance with the terms of PSA 99-541 “confirms the total gross sales from vending machines and that Coca-Cola paid 35% percent of the gross sales in commissions to the Board of Education and Services for the Blind.” However, the audit does not address any other aspects “of the contractor’s compliance with the terms and conditions of the PSA,” which is also required by the same section of the state contract that requires an examination of financial data.

With respect to field audits, BESB indicated that the hiring of more staff for BEP in January 2004 will allow BESB staff to conduct these audits. In the future, BESB said it may use an accounting firm (already under contract with DAS) to conduct a program audit of the Coca-Cola contract, looking at operations since December 2000. That firm -- Bertolini and Santos -- is currently completing an audit of the Industries program for BESB, and if BESB is satisfied with their work, it may use them to examine the Coca-Cola contract. No timetable or scope of work has been established for such an audit.

February 2005: BESB states it did not issue any Requests for Proposal during FY 04. BESB staff has been conducting field audits of vending machine sites, verifying the locations of machines and cross-referencing the inspection to the reports provided by Coca-Cola. BESB did obtain audit services from Carney, Ruy and Gerrol, P.C., but it was under an existing state contract. That audit was completed in January 2005, at a cost not to exceed \$8,000. The audit included a review of compliance with the provisions of the Coca-Cola contract to determine if the contractor was substantially following the terms and conditions set forth in the statewide vending contract.

4. (A) Establish comprehensive automated accounting system for vending machine revenue

February 2003: In February 2003, BESB said that “For some time” it has prepared a monthly report of revenue receipts by source balanced with the comptroller’s monthly revenue report. BESB was waiting to find out the level of detail that would be available from CORE-CT on July 1, 2003. In the meantime, BESB said it was using a new monthly reporting format for BEP receipts with daily agency deposits posted and then summarized monthly by category of receipt and annually by revenue source. BESB was concerned about the availability of staff to prepare future reports due to layoffs and retirements.

**Summary of BESB Compliance with Program Review Recommendations
In Years 2003 & 2004**

March 2004: BESB initially indicated that as of January 2004, it was adequately staffed and able to generate monthly reports on sales and revenue by source. In follow-up conversations, it turns out the state's new CORE-CT system only allows state agencies to produce point-in-time information. If BESB does not print end-of-the-month reports, it cannot go back and obtain detailed information about the BEP program for previous time periods. (Resolution of this situation will depend on the timing and nature of changes the state may make to CORE-CT.)

February 2005: The BESB business office receives a monthly Comprehensive Financial Status Report (CFSR) from CORE-CT with totals by special fund identifier (SID). BESB staff runs end of the month reports for total expenditures by SID and account codes. The Coca-Cola revenues are sent via electronic transfer into the comptroller's account, and are deposited into the SID account for the Business Enterprises Program, which is balanced monthly.

CORE-CT reporting functions are currently being refined to provide agencies with the ability to go back and examine specific data. At this time, the BESB business office runs reports on the first day of each month to capture year-to-date data; it subtracts the previous months' totals to get monthly expenditures. BESB states this is the only option at present for this purpose.

(B) Create formal mechanism to obtain feedback re: vendor compliance with the contract

February 2003: In February 2003, BESB indicated it had created a feedback form to be mailed monthly to representatives of a sample of locations with vending machines. BESB would follow up on complaints as received and also communicate them to the Coca-Cola account manager. The BEP director and the BESB director of finance and business operations would meet monthly to follow up on issues.

March 2004: During 2003, BESB sent letters to town officials confirming the location of the vending machines covered by the "permit" from the specified municipality. BESB said it asked for feedback, but "very little has occurred." However, the sample letter provided to PRI only asks towns to contact BESB if information about machine locations is incorrect. BESB says it will do another mailing in April 2004 with personal follow up so "any problems or concerns can be addressed."

February 2005: Instead of a mass mailing to towns, BESB staff have incorporated periodic feedback into the onsite monitoring process of vending machines to solicit in-person perspectives from town representatives when they are available.

(C) Conduct periodic, random, unannounced visits to verify vendor compliance

February 2003: In February 2003, BESB said it had established a "Vendor Outlet Report" to record data from on-site reviews of a rotating sample of vending machines. Reports were being completed by Coca-Cola and program representatives, and then reviewed at monthly meetings of the Coca-Cola account manager and BEP director. In the future, BESB said it might hire an independent auditor to complete some on-site reviews.

**Summary of BESB Compliance with Program Review Recommendations
In Years 2003 & 2004**

March 2004: BEP field staff are assigned geographic routes for their work with blind vending operators. The staff are also expected to visit each of the state and municipal vending machine locations in their respective territories at least once each quarter on a random, unannounced basis. (BEP staff are not currently visiting public school locations.) While on-site, the BEP staff are to inspect the machines and talk to people there about conditions related to the operation of the machines (e.g., cleanliness, product selection, frequency of refills, etc.).

February 2005: BESB states random audits of machine locations are still occurring, using a standardized form and cross-referencing to the reports provided by Coca-Cola. BESB did ask the audit firm of Carney, Roy and Gerrol to review Coca-Cola's procedures for generating reports of sales as part of the comprehensive audit it performed, as an additional aspect of the data verification process.

(D) Prepare written evaluations of contractor performance at least annually

February 2003: In February 2003, BESB said the BEP director and BESB director of finance and business operations were meeting monthly with the Coca-Cola account representative to review contractor operations, contract compliance, and new or follow-up issues (including those identified from monthly feedback forms and Vendor Outlet Reports). In the future, the BEP director would be preparing an annual written evaluation (with input from the director of finance and business operations).

March 2004: From the start of the contract in 1999 through February 2004, BESB never prepared a written evaluation of the contractor.

After PRI and BESB staff met in February 2004, BESB provided PRI with a one-page "Summary Evaluation of Coca-Cola Contractor Performance," written by the BEP acting director on March 5, 2004. The document says contractor performance has been "very responsive." It also notes: "Like any business, problems do arise..." but arrangements are in place to deal with them, and "BEP staff is very satisfied with our partnership." The document does not describe any specific provisions of the contract that have not been met (e.g., occasions when commission payments were late), which would be required if the state ever sought to cancel the contract for breach of performance.

February 2005: BESB states it has chosen to use the independent audit performed by Carney, Roy and Gerrol to evaluate the performance and compliance of Coca-Cola on the scope of the contract. The audit found Coca-Cola is in compliance with all of the requirements of the contract in regards to the following areas: refund policy; insurance; subcontracting; changes to the machine population; internal controls; current method of calculating gross sales; training; price change approvals; repairs and maintenance of the machines; and manager/operator discounted rates. Among the audit report's recommendations were that:

- future audit reports include a review of the contract and all terms of the contract;
- Coca-Cola establish a system that ensures timeliness of payments;
- the performance bond be increased based on the estimated volume of business; and
- the BESB identification sticker design be finalized and included on all machines.

| Summary of BESB Compliance with Program Review Recommendations In Years 2003 & 2004 |
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| (E) Meet with contractor on a regular basis to discuss performance |
| February 2003: In February 2003, BESB said monthly meetings were being held. |
| March 2004: As of February 2004, the BEP director is meeting three times a week with the Coca-Cola account representative. |
| February 2005: One BEP Vending supervisor continues to have the primary responsibility of working with Coca-Cola. Meetings with Coca-Cola representatives are held several times each week to work towards expansion of the program. |
| (F) Prepare guidelines for BESB staff to follow when contacting state agencies or local governments not covered by a specific vending machine contract |
| February 2003: In February 2003, BESB said it had developed guidelines and would be presenting them to BEP staff at an upcoming customer service seminar. |
| March 2004: In October 2003, guidelines were finalized for BESB staff to use when contacting state and local governments not covered by a specific vending machine contract. BESB is developing a packet of materials to be presented to the chief elected official or superintendent of schools in any municipality that is visited. The materials are supposed to be ready in Spring 2004. |
| February 2005: BESB completed its marketing materials that are to be handed out to town officials and schools. These materials are part of an in-person presentation that explains the program. |
| (G) Formalize record keeping, and at a minimum: |
| <ul style="list-style-type: none"> • Obtain written permits from state/local agency where BESB vending machine located |
| February 2003: In February 2003, BESB indicated “Although neither current statute nor regulations require BESB to obtain written permits with municipalities, BESB concurs that the proposed practice is a good one.” BESB developed a formal permit to use and expected to mail a document confirming current vending locations to state and municipal agencies by March 7, 2003. |
| March 2004: In March 2003, BESB sent letters to town officials listing the locations of vending machines in the specified municipality. Each letter included a document with a “Permit No.” and language that the municipality “confirms that we have granted ... (BESB) a permit to place, operate, and manage vending machines on certain sites ... delineated on the attached.” The letter asked the town to contact BESB if the machine information was incorrect, but the town was not required to formally confirm the “permit.” |
| February 2005: BESB indicated that based on the fact state statute specifies the authority in charge of the building or property where a vending machine is placed is the party that issues a permit, BESB is now seeking written permission from towns in the form of a memo rather than a “permit.” |
| <ul style="list-style-type: none"> • Issue written waivers for location BESB chooses not to place machines within |

| Summary of BESB Compliance with Program Review Recommendations In Years 2003 & 2004 |
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| February 2003: In February 2003, BESB said it would provide written waivers for locations it chose not to place vending machines in, but it expected to grant few if any waivers in the future. BESB noted that allowing schools and other facilities to share commissions for patient/student activity funds did not represent a location waiver. |
| March 2004: In January 2004, BESB said it has not issued any waivers. However, in March 2004, BESB acknowledged it recently renewed a multi-year waiver it had previously issued for vending machines at the federal prison in Danbury. |
| February 2005: In FY 04, BESB issued two waivers – Camp Harkness in Waterford for an indefinite period of time and Danbury Federal Correctional Institution for five years (2003-2008). |
| <ul style="list-style-type: none"> • Maintain up-to-date inventory of vending machines by location and type of agency |
| February 2003: In February 2003, BESB said it maintains an up-to-date inventory of BESB vending machines by location and is working to adjust the computer system to permit reporting by type of governmental agency. Coca-Cola corrected its machine inventory for school locations and now forwards this report to BESB regularly. |
| March 2004: BESB continues to receive two lists from Coca-Cola -- one for general government locations and another for schools. The first list has been modified to indicate whether the site is a federal, state, or municipal location, but currently the data cannot be sorted by type of location. The school list presents similar information, but in a different format. |
| February 2005: BESB continues to receive a separate monthly report for sales at school locations. In FY 04, schools under the BESB contract received \$359,751 in commission revenue. |
| <ul style="list-style-type: none"> • Maintain up-to-date list of towns not yet visited for inclusion under statewide contract |
| February 2003: In February 2003, BESB said it maintains an up-to-date list of towns not yet visited and is developing a list of state agency sites. |
| March 2004: As of Feb. 2004, BESB said it believes it has visited all state agencies, while 84 towns have not been visited. BESB does not maintain a formal list of such towns. However, BEP has copies of letters sent to the towns identified as not currently included under the statewide vending contract, and it references those when it needs to know which towns have not been visited. |
| February 2005: BESB now maintains a list of towns visited and not visited, which is updated monthly. As of February 2005, 46 towns still had not been visited. BESB expects to reach all towns that currently do not have BESB machines by January 2006. |

**Summary of BESB Compliance with Program Review Recommendations
In Years 2003 & 2004**

- 5. Town/school participation in BESB vending machine program to be voluntary, except as limited by existing vending contract.***
- 6. Revenue from towns/schools that voluntarily participate in BESB vending machine contract shall accrue to BESB 361 Account.***
- 7. In state/municipal buildings with vending facility operated by blind person, revenue from all vending machines shall continue to accrue to that person and any subsequent operator who is blind.***
- 8. The Department of Transportation (DOT) shall continue payments to BESB under terms of memorandum of understanding.***
- 9. State higher education institutions and vocational-technical schools may continue independent vending machine arrangements.***
- 10. In all other state locations, revenue from vending machines shall be deposited in BESB's 361 Account.***

February 2003: With respect to recommendation #9, BESB raised an objection to having "Connecticut's blind citizens completely and permanently forego opportunities for employment on public [higher education] campuses." Legislation needed to implement recommendations 5 through 10 did not pass in 2003.

March 2004: Legislation to clarify who can operate vending machines in public buildings and how commission revenue generated from vending machines will be allocated did not pass during the 2003 session. Revenue disbursements continue in line with practices in effect during the program review study. For example, DOT still sends BESB a share of the revenues from vending facilities at highway rest and recreation areas, while Coca-Cola continues to pay commissions from vending machines at local schools to those school systems.

February 2005: A formal memorandum of understanding with the Department of Transportation is still in effect. In FY 04, this arrangement produced \$488,506 in income.

- 11. BESB shall not carry forward more than \$750,000 at the end of any given fiscal year.***

February 2003: In January 2003, BESB agreed a "cap" on the amount of money it could carry forward each year "might serve as an added inducement for the effective and efficient allocation of vending machine funds to serve our clients. However, for such a cap to be productive and not destructive ..." three factors had to be considered -- the need for BEP to hire new staff, the importance of working capital for current and potential entrepreneurs and workers, and the timing of the starting date of the cap.

March 2004: Legislation to cap the carry forward did not pass during the 2003 session. Revenue from the statewide vending machine contract with Coca-Cola continues to be deposited in Account 361 at a rate averaging \$120,000 per month. (An additional \$50,000 per month in revenue is generated from other vending related sources.) The year-end balance in Account 361 grew from less than \$1 million on June 30, 2000, to \$3.6 million on June 30, 2003. The balance on January 30, 2004, was \$2.8 million. By the end of FY 04, BESB expects the balance to be lower since it is spending nearly \$1.2 million to open or renovate eight to 10 vending facilities and \$800,000 on items related to the closing of the Industries program.

February 2005: As of December 31, 2004, the Account 361 balance was \$2,503,193.

**Summary of BESB Compliance with Program Review Recommendations
In Years 2003 & 2004**

12. BESB shall update its vending facilities regulations and adopt additional provisions specific to the operation and management of independent vending machine contracts.

February 2003: In January 2003, BESB agreed “existing regulations regarding vending machine operations are ‘not applicable to the existing situation’.” BESB identified “two significant areas where the regulations can benefit from updating” -- (1) the use of revenue derived from vending machines on state and municipal property; and (2) recognition of “changes in technology, cultural attitudes, applicable law, and local opportunities” that offer blind workers/entrepreneurs new opportunities. BESB said it would “continue working to update our regulations and policies to flesh out [C.G.S.] Section 10-303.”

March 2004: BESB has not made or proposed any changes in the regulations governing the BEP program. In January 2004, BESB indicated “Due to limited staff and the questionable existence of the Agency, BEP was not active in pursuing new vending machines; therefore updating the current vending regulations was not warranted because the program was not expanded to include additional types of vending machines. However, BEP is currently engaged in updating the ‘Operators Regulations’.” In March 2004, the new executive director said existing regulations cover all current and planned vending activities, and no changes are needed.

February 2005: BESB contends the existing BEP regulations are functional. BESB would like to hire an individual on a project basis to update language and make technical adjustments for all of the agency regulations. However, the current hiring freeze makes this unlikely in the near future.

* Legislation (sSB 970) to implement recommendation did not pass in 2003.

February 2003 Sources of Data = January 23, 2003, letter from Richard G. Fairbanks, chair of the Board, and Dr. Donna Balaski, executive director of BESB, to the program review committee in response to the committee’s final report for the study, Board of Education and Services for the Blind Vending Machine Operations, and February 28, 200[3], letter from Dr. Donna Balaski, executive director of BESB, to the co-chairs of the program review committee, providing a status report on BESB’s vending machine initiative.

March 2004 Sources of Data = Lists of BEP locations provided by BESB (with dates of 10/23/01, 02/02, and 2/17/04); The Digest of Administrative Reports to the Governor for 2000-2001, 2001-2002, 2002-2003; January 29, 2004, letter from Dr. Donna Balaski, executive director of BESB, to the acting director of the program review committee; February 17, 2004, fax from BESB to PRI; February 27, 2004, meeting of BESB and program review staff; series of e-mails, faxes, and telephone calls from March 10-15, 2004; and statements by Brian Sigman, executive director of BESB, at March 16, 2004, meeting of BESB Monitoring Council.

February 2005 Sources of Data: January 26, 2005, letter from Brian S. Sigman, executive director of BESB, to the program review committee with attachments, including a listing of business enterprise locations, sample field audit reports, BESB marketing materials for towns and schools, waiver-related documents, status listing of towns with BESB machines, and examples of sales reports; copy of Carney, Roy and Gerrol audit report (January 2005).

Regional School District Governance (December 2002)

In March 2002, the Legislative Program Review and Investigations Committee voted to conduct a study of Regional School District Governance. The scope of the study focused on three aspects of the system including:

- the statutory processes to establish and withdraw from regional school districts, select board members, develop and approve budgets, and apportion costs among member towns;
- the roles, responsibilities, and authority of regional boards of education vis-à-vis local legislative bodies, and the State Department of Education, including the structure in place to perform fiscal oversight; and
- an assessment of changes to the statutory formula that assigns local share costs to member towns in regional school districts.

Overall, the program review committee found the autonomy granted to regional boards of education is much greater than that given to local boards of education and identified certain fiscal and budgetary processes that were lacking or insufficient. In addition, the committee identified a number of areas where state oversight was absent or inadequately performed. The committee proposed one administrative and 12 legislative recommendations.

Legislation/Compliance. The administrative recommendation required the State Board of Education through the Office of Internal Audit to develop a tracking system to ensure corrective action had been taken if regional school districts’ annual independent audits identified any deficiencies. In its compliance response, dated February 2004, the department stated that the Office of Internal Audit has expanded its tracking system for audit findings and correction actions taken by regional school districts. According to the department, audit findings are now classified into three categories based upon the seriousness of the finding and include: “reportable conditions, material weaknesses, and/or questioned costs.” The department also indicated that resolution timetables have been added to the tracking system. Finally, the department stated that it is continuing to update the tracking database system.

The legislative recommendations were raised in sSB 1034 and were aimed at strengthening local and state level accountability mechanisms and providing for consistent processes among towns wishing to partially withdraw from regional school districts. The committee did not recommend any change in the current statutory formula that assigns local share of education costs.

The bill was voted out of the education committee, and amended and passed by the Senate. The amendment stripped most of the bill’s provisions and proposed a regional finance board be piloted only in Regional School District No. 5, since that district already had such a board operating. The amended bill however, died on the House calendar. Currently however, a regional finance board is still in existence in Regional School District No. 5 and one was recently created in Regional School District No. 10, after twelve school budget referenda failed.

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Two Years 2003 & 2004 | Comment |
| Adopt enabling legislation granting voters in towns belonging to regional school districts the statutory authority to establish regional | None | Recommendation contained |

| Summary of Compliance with Committee Recommendations | | |
|--|---|---|
| Recommendation | Status After Two Years 2003 & 2004 | Comment |
| finance boards by a region-wide majority vote. Members of regional finance boards would be appointed from local Boards of Finance to oversee the regional school district budget approval process. | | in sSB 1034 did not pass |
| Towns shall fund regional school districts, at a minimum, at the previous years' appropriations if regional school budgets are not adopted by the beginning of the fiscal year until the regional school budget is passed. | None | Recommendation contained in sSB 1034 did not pass |
| Regional boards of education shall be prohibited from deficit spending in excess of one-quarter of one percent of their total budget unless approved by a region-wide majority of voters in member towns. | None | Recommendation contained in sSB 1034 did not pass |
| Each regional school board shall report, as part of the public record, a detailed written statement for each transfer of funds among line items. | None | Recommendation contained in sSB 1034 did not pass |
| Regional Board of Education treasurers shall verify by oath public reports, returns, and reception or disbursement of funds. Any person who verifies any return or report, known to them to be false shall be subject to the penalty provided for false statement. | None | Recommendation contained in sSB 1034 did not pass |
| C.G.S. Sec. 10-47b shall be amended to include K-12 regional school districts. | None | Recommendation contained in sSB 1034 did not pass |
| The State Board of Education periodically perform quality control reviews of selected audits of regional school districts made by independent auditors. | None | Recommendation contained in sSB 1034 did not pass |
| The State Board of Education shall develop a tracking system for corrective action plans submitted by regional school districts. It shall include a classification system that indicates the seriousness of findings and establishes deadlines to correct audit findings based on their seriousness. | Full | SBE Office of Internal Audit has created a tracking system in compliance with PRI recommendation. |
| The State Board of Education shall assume the responsibilities of OPM under the Municipal Accounting Act for regional school districts | | |

| Summary of Compliance with Committee Recommendations | | |
|--|---|---|
| Recommendation | Status After Two Years 2003 & 2004 | Comment |
| regarding the review of audit reports, tracking of corrective actions, and performing a fiscal analysis of the districts. The State Board of Education, in consultation with OPM, shall develop criteria to perform an annual fiscal analysis of the regional school districts. | None | Recommendation contained in sSB 1034 did not pass |
| Clarify C.G.S. Sec. 7-349b related to the Municipal Finance Advisory Commission under the Municipal Auditing Act to include regional school districts and require reports generated under the statute be filed with each town's board of selectmen and board of finance, if applicable, in regional districts. | None | Recommendation contained in sSB 1034 did not pass |
| The State Board of Education shall regularly solicit competitive proposals from qualified and licensed auditing firms to perform Annual Audits for regional school districts and randomly assign the firms to regional districts. The audit firms shall be rotated at least every three years among the regional districts. | None | Recommendation contained in sSB 1034 did not pass |
| Audits performed for regional school districts under the Municipal Auditing Act shall contain a written management letter, in accordance with guidelines developed by the State Board of Education. The State Board of Education shall define the items that should be contained in the management letter and when one is necessary. | None | Recommendation contained in sSB 1034 did not pass |
| The current method of allocating the local share of education costs for regional school districts should be continued. | No change needed | |

UConn 2000 Construction Management (December 2002)

In 1995 the University of Connecticut (UConn) was granted statutory authority to carry out a 10-year, one billion dollar infrastructure improvement program known as UConn 2000. Several worker safety and wage incidents related to UConn 2000 projects during 2001 prompted legislative interest in how the university carries out its construction management responsibilities.

In 2002, the program review committee completed a study of the UConn 2000 construction management process that focused on how the university oversees contractor compliance in three main areas:

- contract provisions concerning schedules, budgets, and work quality;
- state employment laws, particularly prevailing wage rate requirements for public construction projects; and
- worker safety and health laws and regulations.

The study scope did not include the pre-award part of the UConn 2000 capital project process so university financing practices, design activities, and most bidding and contracting procedures were not evaluated. The review did examine the university's bidder prequalification criteria and procedures because of the relationship between successful construction management and effective screening and monitoring of contractor performance.

The program review committee found the university follows industry best practices for construction management and the majority of UConn 2000 work has been completed on time and within budget. Serious contractor performance problems were rare and, when necessary, the university responded with appropriate corrective actions and proactive policy revisions.

The committee concluded there was no need for statutory revisions to the university's construction management authority or procedures beyond those enacted in 2002 under the 21st Century UConn legislation (P.A. 02-3, May 9 SS). This act, which authorized the third phase of capital improvements at the university's main and regional campuses, changed some bidding and approval procedures and revised requirements for reviewing and reporting on contractor compliance with prevailing wage laws.

In response to questions from the program review committee, the university reported subcontractor compliance with labor laws, as required by this act, is now considered during the contractor prequalification process. Also, reports listing all contractors and subcontractors who perform construction work on UConn campuses and the extent of their compliance with prevailing wage laws are supplied to the legislature as mandated by statute.

Three administrative recommendations intended to promote prevailing wage and safety monitoring and enforcement, strengthen contractor screening procedures, and improve controls over construction management and work quality were included in the final committee report. The university's efforts to implement these recommendations during 2003 and 2004, summarized in the following table, are discussed below.

| Summary of Compliance with Committee Recommendations | | |
|--|---|--|
| Recommendation | Status After Two Years 2003 & 2004 | Comment |
| <p>To improve contractor screening and selection:</p> <ul style="list-style-type: none"> • develop and maintain an automated database of all companies that perform construction work • establish a system for evaluating contractor and subcontractor performance • institute a “poor performers” list | Full | <p>Automated database integrating names, status, project value and number and performance in place; automated evaluation system based on defense department contractor rating forms implemented in 2003; system includes opportunity for contractors to respond to poor ratings; “poor performers” list established for subcontractors while prequalification process used for contractor evaluations</p> |
| <p>Define outcome measures for work quality and establish a system for tracking and regularly reporting data on the quality of construction</p> | Partial | <p>Work quality tracked through contractor ratings that evaluate various aspects of quality of service as well as timeliness and customer satisfaction</p> <p>UConn continues to investigate possible minimum standards for safety and other aspects of contractor performance</p> <p>In 2004, UConn established the Office of Fire Marshal and Building Inspector responsible for ensuring code compliance on construction projects. Also established: (1) contractors QA/QC program to evaluate criterion for contract pre-qualification process; (2) strengthened construction contract language directly linking quality control to payments; and (3) instituted in-depth QC checks as part of construction administration process</p> |
| | | |

| Summary of Compliance with Committee Recommendations | | |
|--|---|--|
| Recommendation | Status After Two Years 2003 & 2004 | Comment |
| Maintain a fulltime safety manager to conduct inspection, determine and oversee corrective action, educate and train contractors and workers, and identify trends in safety violations | Full | During 2003 and 2004, the university maintained an on-site safety manager through its OCIP program University plans to discontinue OCIP for UConn 21 st Century project because of economic considerations, but will employ its own full-time safety manager, and contractors will be required to carry their own worker's compensation insurance. |

Prevailing wage and job site safety violations. Since December 2002, there have been no serious prevailing wage law or job site safety violations on UConn 2000 projects. The university's contract administrator (Bechtel/Fusco) and the state Department of Labor review contractor and subcontractor prevailing wage records on an on-going basis.

The university maintained a full-time safety manager for all projects under the owner controlled insurance program (OCIP). The university noted the safety manager is invaluable in addressing adverse worker safety trends. The university does not plan to continue OCIP for the 21st Century UConn program because it is unlikely to be cost effective due to substantial increases in premium and deductible rates. For 21st Century UConn projects, contractors and subcontractors will be contractually required to carry worker's compensation insurance and the university plans to employ its own full-time safety manager.

In terms of worker compensation claims, the university witnessed a favorable trend during the past two years, with medical and lost time injuries decreasing in frequency. For example, in 2002, the OSHA rate standard for UConn 2000 projects was set at 2.8 lost time incidents per 100 workers. The university's rate dropped to 2.4 in 2003 and 1.3 in 2004. No worker injuries on UConn 2000 projects resulted in the filing of a federal OSHA case to date.

Contractor screening. The university has continued and strengthened the contractor prequalification process required by state law. It has fully implemented an inventory of firms that perform construction work on the main and regional campuses. As recommended by the committee, it has developed a "poor performers" rating process and list for all subcontractors. Currently, the only subcontractors that have unsatisfactory ratings ("poor performers") are those associated with three recently completed student residence projects (Hilltop Apartments and Suites, Husky Village, and Charter Oak Apartments and Suites).

Construction management. Schedule and cost data for 2003 and 2004 supplied by UConn shows construction management procedures continue to produce satisfactory results. As of February 2005, 19 UConn 2000 projects were completed and two are under construction (Student Union renovation, scheduled for completion in 2006, and the new Pharmacy/Biology Building, scheduled for completion in 2005). All but one completed project were finished on time.

Most UConn 2000 projects also have been completed within budget. To date, four projects have exceeded their contracted budget costs: Gentry Building renovations; Charter Oak Apartments; Student Union addition and renovation; and Tech Quad-IT Building (Phase II). As noted below, the final cost for one of the completed projects (Charter Oak Apartments and Suites) may be affected by a claim filed against the university by the design-builder (JPI). Settlement of this \$6.8 million claim may adjust the project's final budget.

The 21st Century UConn program began in July 2004 and includes about 50 new construction and renovation projects at the Storrs and regional campuses and at the UConn Health Center. The university plans to follow the basic contract prequalification and selection, contract administrator, and construction management processes used for UConn 2000 with some changes and improvements. It intends to continue using a contracted construction administrator for certain projects and has issued a request for proposals (RFP). The contractor selection process is expected to be completed later in 2005. In-house staff will oversee the remaining work including the Intramural, Recreational, and Intercollegiate Facilities project currently under construction.

Quality control and assurance processes. The university has not defined outcome measures for work quality nor has it implemented a system for tracking and regularly evaluating data on the quality of its construction projects as recommended by the committee. UConn is continuing to investigate this issue and evaluate existing processes, but has not found a system of standards or indicators it believes is a satisfactory measure of work quality.

Three UConn 2000 projects experienced major work quality problems highlighting the need detailed in the committee report for an ongoing quality control and assurance process during and after construction. All three are student housing projects: Hilltop Apartments and Suites and Husky Village (Capstone Development Corporation) and Charter Oak Apartments and Suits (JPI Apartment Development, LP).

In each case, substandard construction and design techniques, warranty issues, and significant building and fire code violations have been cited. The university noted in the contractors' performance evaluations the work quality did not meet university standards and is also withholding contractor payments. The university is in the process of filing an approximately \$12 million claim against Capstone and is scheduled for mediation on a \$6.8 million claimed filed against the university by JPI. (The university offered to settle the JPI claim for \$3.9 million, but the company refused.)

These construction problems led the university to commission a comprehensive code compliance study of all buildings including these projects. Based on the study findings,

corrective action to repair the buildings to comply with state building and fire codes has been undertaken. In March 2005, the university's Board of Trustees authorized almost \$15 million in addition to the \$1.5 million already spent to correct violations at the student housing complexes.

The university also significantly expanded its quality control function including code compliance since the program review study was completed. It has strengthened contract provisions regarding the role of the contract administrator and designers (e.g., architect, engineer) in building inspections. In 2004, it established an Office of Fire Marshal and Building Inspector within the university's Division of Public Safety. That office is now responsible for inspecting all projects not under the purview of state building safety officials and for signing the certificate of substantial completion for occupancy. The office is composed of 2 fire marshals, 2 building inspectors, and a state fire marshal reporting directly to the university's chief of police.

In respect to the code violation and budget issues, additional reviews have been started and the committee will keep track of them.

Energy Availability in Connecticut (February 2002) and Energy Management by State Government (October 2002)

During 2001 and 2002, the program review committee undertook two reviews of energy-related issues. The first looked at the broad question of the availability of energy in Connecticut for all categories of consumers; the second examined the effectiveness of efforts by the state of Connecticut to manage its own demand for energy and procure energy supplies efficiently.

The focus of the availability study was on identifying factors that affect the supply of and demand for energy in Connecticut and examining opportunities the legislature has to influence those factors. The committee found the availability of energy is dependent on a number of disparate elements, many of which are inter-related, including economic conditions, energy conservation efforts, regulatory requirements, grid reliability, environmental considerations, the weather, and geographic location. The committee found one of the best short-term opportunities the legislature has to influence the overall energy situation in the state is through efforts related to energy conservation, including improved efficiency and curtailment of consumption by the state. The committee adopted two recommendations seeking to enhance energy conservation, with the key one calling for state government to serve as a model energy consumer.

The focus of the energy management study was on the state's own efforts to manage demand for energy, use alternative and renewable sources of fuel, and procure energy supplies efficiently. The program review committee found elements of a comprehensive program targeting energy conservation and the use of multiple fuel sources by state government already exist in state statute, but full implementation has not occurred. The committee's 16 recommendations sought to continue the state's energy efficiency efforts, clarify statutory language, monitor more closely the energy-related activities of individual state agencies, examine further the role of the Office of Policy and Management (OPM) concerning state energy policy, and encourage a pilot program involving an approach not previously used by the state.

The table below summarizes the status of all of the recommendations from both studies. In several areas, activities are ongoing.

| Summary of Compliance with Committee Recommendations | | |
|--|---|---|
| Recommendation | Status After Two Years 2003 & 2004 | Comments |
| Amend C.G.S. Sec. 16a-48 to require a review of the state's energy efficiency standards for appliances at least every four years. As part of that process, new products appropriate for inclusion within the requirements of the statute should be identified. | Full | The program review committee raised legislation in 2002 (HB5473) and 2003 (HB6459) to accomplish this change, but both bills died. In 2004, P.A. 04-85 amended Sec. 16a-48 to change the reference from "appliances" to "products," expand the items covered by the law, and direct OPM to adopt regulations by July 1, 2005, related to establishment of minimum energy efficiency standards for the expanded range of products |
| The State should endeavor to be a model energy consumer. It should identify and demonstrate best practices for reducing the quantity of energy consumed and diversifying the mix of fuel sources used in a variety of settings. | Ongoing | The Department of Public Works continues to coordinate energy conservation projects at a number of state locations. Also, on February 1, 2005, at the request of the governor, the Department of Public Utility Control, the Office of Consumer Counsel, and the Energy Conservation Management Board completed a report on energy efficiency opportunities at state facilities. |
| Revise nine existing statutes to consolidate similar provisions and to modify or eliminate out-of-date or completed energy-related tasks and other requirements where the cost of enforcement considerably outweighs the consequences of a violation. | Partial | P.A. 03-230 made six of the changes -- consolidation of energy-related language concerning leased space, elimination of minimum/maximum temperature settings for state buildings, repeal of an energy performance program superseded by a new program, replacement of a task force on conserving energy in state buildings, and clarification of the process for calculating average energy use. One -- a biennial report rather than an energy plan every four years -- was implemented in a modified way in P.A. 03-140, which requires the |

| Summary of Compliance with Committee Recommendations | | |
|---|---|--|
| Recommendation | Status After Two Years 2003 & 2004 | Comments |
| | | Connecticut Energy Advisory Board (CEAB) to prepare an annual plan. Two proposals -- repeal mandatory connections to district heating/cooling systems and replace an out-of-date schedule of energy audits with an on-going evaluation process - were considered, but did not pass. |
| Increase consideration of energy-related issues during the budget process by requiring agency specific information on energy expenditures and conservation efforts. | Full | P.A. 03-132 expanded information required in agency supporting schedules in the Governor's budget to include energy costs and a statement of agency progress/plans concerning energy conservation. |
| OPM must ask all state agencies to report on ways each can reduce energy costs and then provide that information to the legislature. | Full | P.A. 03-132 directed OPM to require state agencies to report by December 15, 2003, on methods available to reduce energy costs and the feasibility of implementation. Using that information, on February 3, 2004, OPM submitted the report, "Energy Management In State Facilities: A New Direction" to the appropriations, energy, and program review committees. |
| OPM must report on state agency compliance with life-cycle cost analysis requirements. | Ongoing | P.A. 03-132 requires OPM to include a summary of state agency compliance with life-cycle cost analyses as part of the annual plan it prepares under C.G.S. Sec. 16a-37u. |
| Set a new construction standard for state-owned buildings equal to or greater than accepted national standards for energy conservation in new construction. | Partial | In 2003, HB6484 would have required newly constructed state buildings to meet or exceed national standards for energy conservation established by the U.S. Green Building Council. Due to concerns about mandating those specific standards and the existence of other bills with comparable requirements, PRI removed that language from its bill. Those bills and similar legislation in 2004 died, but another bill has been submitted in 2005. |

| Summary of Compliance with Committee Recommendations | | |
|---|---|---|
| Recommendation | Status After Two Years 2003 & 2004 | Comments |
| OPM should take steps to increase its influence over state energy management practices and elevate its presence regarding energy issues. | Ongoing | In addition to the efforts undertaken by OPM in response to P.A. 03-132 (described above), the Natural Gas Procurement Initiative coordinated by OPM saved the state \$5.4 million from the start of the program in FY 97 through FY 03. |
| The Connecticut Energy Advisory Board should do an analysis of what would be the appropriate state entity to have responsibility for oversight of state energy policy. | Partial | CEAB supported this proposal. Originally drafted in HB6484 (2003), the language was removed to avoid conflict with P.A. 03-140, which changed the composition of the board and gave it new responsibilities including development of an annual comprehensive energy plan. |
| OPM and DPW should pursue new energy performance contract efforts in order to have at least one pilot project in place by July 1, 2003, and should report on the results of the program to the legislature annually for the life of the contract. | Partial | P.A. 03-132 requires OPM and DPW to establish a pilot program by July 1, 2004, covering one state facility or complex with an energy management contract handled by a private vendor. As of February 2005, a project still had not been initiated. OPM indicated that due to limited resources, it will probably be a year or more before a contract can be put in place. |

2001 Studies: Compliance

Overview

The program review conducted seven studies in 2001, listed below. Calendar years 2002, 2003, and 2004 mark the three year time period during which, by committee practice, recommendations from these program review studies were followed to gauge implementation. Final compliance status is reported here on each of these studies.

- Connecticut's Public School Finance System
- Department of Public Health: Consultative Services to Child Care Providers
- Department of Public Works: Space Acquisition and Disposition
- Energy Availability in Connecticut (see 2002 Studies: Compliance)
- Medicaid Rate Setting for Nursing Homes
- Privacy in State Government
- Recidivism in Connecticut

Connecticut's Public School Finance System (February 2002)

The committee's study approved in April 2001 focused on the effectiveness and efficiency of Connecticut's system for funding public schools in light of the state's legal obligations and policy goals. The committee found one of the strengths of the current system was its general political acceptability. While many at the state and local level were not entirely satisfied with the Educational Cost Sharing (ECS) grant formula or the state's wide array of targeted education aid, the system promoted local control and directed state aid, for the most part, to the types of students everyone agreed had the greatest needs.

The overall aim of the committee's recommendations was to remove distortions that had occurred over time in the ECS formula, establish mechanisms for expert review of the formula's foundation spending level and weighting for student need, require the use of various financial equity measures to assess programmatic and fiscal changes related to legislative and executive actions, and clarify the state's no-supplant provisions.

Legislation/Compliance. Ten of the committee's 11 proposals were incorporated into House Bill 5470, which was favorably reported by the program review committee in the 2002 session of the General Assembly. It was sent to the Education Committee where no action was taken. The report's single administrative recommendation, which required the State Department of Education to make an interactive ECS grant calculation spreadsheet available on its website beginning January 1, 2003, has been implemented by the department.

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comment |
| Require annual report to legislature containing key performance indicators of resource equity and equal educational opportunity | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |
| Require equalization impact analysis for all bills related to ECS formula | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |
| Create educational cost commission to update foundation to better reflect minimum level required to provide adequate education with the initial report due 1/01/03 | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |
| Create educational cost commission to update adjustments for student need to better reflect actual costs of providing added services with the initial report due 1/01/03 | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |
| Eliminate the supplemental aid component from the ECS formula by 6/30/03 subject to implementation of cost commission updated need student weights | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |
| Eliminate the regional district bonus component from ECS formula by 6/30/03 and replace with categorical grant | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |
| Phase out all current hold harmless provisions except minimum base aid by 6/30/03; establish new hold harmless | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comment |
| beginning FY 03 whereby no town may receive less than ECS grant amount received for fiscal year ending June 30, 2002 | | |
| Eliminate the density supplement component from the ECS formula by 6/30/03 and replace with categorical grant | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |
| Beginning FY 04, if the state does not fully fund the ECS grant program, require funds in excess of the amount budgeted for FY 03 to be distributed in proportion to town's share as calculated under the statutory formula amount | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |
| Make interactive ECS grant calculation spreadsheet available on education department website | Full | The department implemented this recommendation well before the January 1, 2003 deadline set by the program review committee. |
| Amend current statutory provisions to clarify intent of supplanting of local funding and establish an enforcement mechanism | None | The bill containing this recommendation did not pass. It died when the Education Committee took no action. |

Department of Public Health: Consultative Services to Child Care Providers (December 2001)

In 2001, the Legislative Program Review and Investigations Committee conducted a study of consultative services provided by the Department of Public Health to child care providers. The study focused on the department's compliance with C.G.S. Sec. 19a-82, which requires consultative services be provided to licensed child care providers throughout the state.

The study evaluated the delivery of consultative services by DPH, the effectiveness of such services on the ability of child care providers to attain and maintain compliance with state regulations, and whether the services meet the technical assistance needs and demands of licensed child care providers.

Several areas needing increased attention became clear during the study. Although state law requires DPH to provide “consultative services” to licensed providers to attain and maintain child care regulations, the department uses the term “technical assistance” to describe its efforts but has not adopted a formal working definition of technical assistance. Further, state law was silent regarding the provision of such services to family day care providers. DPH provided technical assistance to providers through a variety of methods, yet services lacked a centralized focus or master implementation plan. Services needed to be more fully communicated internally and externally, and better management analysis regarding overall performance was needed. There was no formal process in place to assess child care providers’ needs for technical assistance or determine if technical assistance services were adequate to meet those needs. Also, specific training for licensing specialists, especially new specialists, regarding technical assistance was limited.

At the time of the study in 2001, there was no formal oversight system in place to fully gauge whether the department’s “cross-training” program for licensing specialists actually enhanced delivery of technical assistance services. Written and dated policies and procedures relating to providing technical assistance also were found to be limited. Further, although there were multiple efforts underway within DPH to ensure consistency in applying child care regulations, there did not seem to be a broad analysis of how well licensing specialists were implementing them.

Legislation/Compliance. P.A. 02-26, originating from legislation developed by the program review committee, amended state law to require DPH to provide “technical assistance” to all providers, including family day care providers. The table below summarizes the recommendations made by the committee, the status as to their implementation and key points from the agency response.

| Summary of Compliance with Committee Recommendations | | |
|--|--|--|
| Recommendation Summary | Status After Three Years (2002, 2003, 2004) | Comments |
| C.G.S. Sec. 19a-82 should be amended to change “consultative services” to “technical assistance” as it relates to the services offered by DPH to help child care providers and applicants attain and maintain compliance with state licensing regulations. | Full | SB 357 contained this provision and was enacted into P.A. 02-26. |
| C.G.S. Sec. 19a-82 should include family | Full | SB 357 contained this |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation Summary | Status After Three Years (2002, 2003, 2004) | Comments |
| day care homes in the type of providers required to receive technical assistance. | | provision and was enacted into P.A. 02-26. |
| The Division of Community Based Regulation shall adopt a formal definition of technical assistance based on C.G.S. Sec. 19a-82. The division shall also ensure all child care regulatory staff and child care providers know and understand the definition. | Full | The Division of Community Based Regulation (DCBR) has adopted the definitions of “technical assistance” and “consultation” as defined by the National Association for Regulatory Administration Licensing Curriculum 2000. These definitions are widely accepted by the child care community. Licensing staff received training on the definitions in mid-2002 and providers received a mass mailing outlining the technical assistance services available from DPH. The definitions are available on the department’s website. |
| <p>The Division of Community Based Regulation shall take the following actions:</p> <ul style="list-style-type: none"> • Develop clear and concise management objectives relating to technical assistance to child care providers. • Integrate the various technical assistance methods/services for child care providers currently used by the division into a formal implementation plan. • Develop a systematic approach to hold licensing specialists, supervisors, and managers | Full | <p>A comprehensive master technical assistance plan was developed by DCBR in early 2003. The plan was developed by a focus group representing a variety of early child care organizations and associations. A draft version of the plan was also presented to the Child Day Care Council and Healthy Child Care CT in mid-2002.</p> <p>The plan includes definitions, a policy statement regarding DPH technical assistance to child</p> |

Summary of Compliance with Committee Recommendations

| Recommendation Summary | Status After Three Years (2002, 2003, 2004) | Comments |
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| <ul style="list-style-type: none"> • accountable for carrying out the division’s technical assistance objectives and providing the technical assistance services outlined in the implementation plan. • Communicate the management objectives, implementation plan, and performance measurement method(s) with each division manager, supervisor, and licensing specialist involved with child care technical assistance services. • Fully communicate the outcome of the plan development and implementation with the child care community, as identified by the division. | | <p>care providers, management objectives and goals, methods for providing technical assistance, staff training, data collection and reporting, and ways for assessing program needs.</p> <p>A database developed within the licensing unit formally tracks the technical assistance activities as outlined in the master plan. A “technical assistance summary report” is developed by licensing specialists and submitted to the unit manager for review. Individual workgroups within the unit also meet to review and update technical assistance resource materials.</p> <p>In-service training has been provided to licensing specialists regarding technical assistance, although it is not clear whether the training included the DPH management objectives and goals.</p> <p>Two issues of a broadly circulated child care publication within the state contained articles devoted to professional development opportunities and resources for providers during 2003. A “technical assistance request</p> |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation Summary | Status After Three Years (2002, 2003, 2004) | Comments |
| | | letter” is mailed to licensed providers as part of their relicensure packet, and is also available on the department’s website. |
| The Division of Community Based Regulation shall develop a system to formally identify and assess the types of technical assistance desired or required by licensed child care providers. | Full | The department solicits feedback from providers in a variety of ways (as highlighted above) and conducts technical assistance workshops for providers. A database has been developed to track and summarize the division’s technical assistance services and is used for assessment purposes. In 2005, the division also plans to expand its nursing component to enhance the support of technical assistance in several different areas, including medicine administration, to providers. |
| Regular and thorough management analysis and performance measurement of the technical assistance services offered to child care providers through the Division of Community Based Regulation shall be conducted. Proper and adequate data regarding technical assistance services shall be collected, automated, and used for management analysis purposes. | Full | Technical service information is collected from various sources and tracked by the division’s database. Management analysis of the technical assistance services includes review of that data. A staff person is now assigned to coordinate the division’s technical assistance activities and manage the database. |

Summary of Compliance with Committee Recommendations

| Recommendation Summary | Status After Three Years (2002, 2003, 2004) | Comments |
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| <p>The overall training program regarding technical assistance for child care licensing specialists needs to be formalized and enhanced based on specialists' needs.</p> | <p align="center">Full</p> | <p>The division trained its child care licensing staff using the National Assoc. of Regulatory Administration curriculum in mid 2002. The division has also developed policies and procedures to address staffing, including training. The plan is to be reviewed every six months or as needed and adjusted to meet program need. Technical assistance is a regular agenda item for division meetings.</p> |
| <p>The Division of Community Based Regulation needs to develop a system to regularly monitor its staff training efforts to ensure such training enhances the effectiveness of technical assistance services to child care providers as required by C.G.S. Sec. 19a-82.</p> | <p align="center">Full</p> | <p>The division uses technical assistance feedback forms, summary reports, and supervisory reviews of office and fieldwork to monitor staff training efforts and the effectiveness of technical assistance services.</p> |
| <p>The Division of Community Based Regulations shall make its interpretive guidelines for center-based and family day care home regulations available to the public on its website by March 1, 2002.</p> | <p align="center">None</p> | <p>DPH is not proceeding with this recommendation upon guidance from the attorney general's office. Review by the attorney general's office indicated substantial revisions would be necessary to make interpretive guidelines available on the department's website. The division decided not to do the revisions, thus no interpretive guidelines have been completed. The child care division is working with</p> |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation Summary | Status After Three Years (2002, 2003, 2004) | Comments |
| | | <p>the Child Day Care Council Regulations Review Subcommittee to develop a preliminary draft of selected regulations to be revised. Upon final recommendation from the subcommittee, the division will develop a final draft of proposed revised regulations for centers and group day care homes that will reflect national standards. During 2004, several regulatory areas were either revised through the legislative process or submitted for revision. (Note: the division does not have any internal guidelines or reference materials for licensing specialists to use during inspections to use as a way to reference licensing requirements/regulations, nor are any guidelines available to family day care providers. The inspection form used for center and group day care home providers include references to regulatory cites on the form left with providers following an inspection.)</p> |
| <p>The Division of Community Based Regulation shall develop written and dated policies/procedures for internal use for providing technical assistance during each phase of the licensing and enforcement processes. The policies and procedures shall</p> | <p>Full</p> | <p>A master binder of dated "Memos of Direction" has been developed and maintained. Policies and procedures for technical assistance have been</p> |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation Summary | Status After Three Years (2002, 2003, 2004) | Comments |
| become part of the division's technical assistance master implementation plan. | | incorporated into the division's master Technical Assistance Plan and have not changed. |
| The Department of Public Health shall include a "Frequently Asked Questions" (FAQ) component on its Child Care Licensing Program webpage. Additional technical assistance information for child care providers, such as bilingual regulations, should be included on the website as determined by DPH. | Full | A "frequently asked questions" component for child care is now included on the department's website. The website also has links to translation websites for bilingual purposes. Also, four professional staff and two support staff are bilingual in English and Spanish. |

Department of Public Works Space Acquisition and Disposal (December 2001)

In 2001, the Legislative Program Review committee completed a study of the property acquisition and disposition function within the Department of Public Works (DPW). The study focus was to determine if DPW was acquiring and disposing state property in compliance with relevant state laws and regulations and in a manner that effectively and efficiently met the needs of state agencies. In reviewing the DPW administration, the committee found streamlining of the processes was critical and internal controls were lacking in very crucial spots.

Legislation/Compliance. SB 355 was introduced in the 2002 legislative session, which contained several of the committee's recommendations. The bill did not pass. The compliance status of the committee's recommendations is summarized below.

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comments |
| OPM must analyze FACCAP lease requests to determine if buying or constructing a facility would be an economical alternative to leasing. Whenever necessary, OPM may order a feasibility study be completed by DPW. The findings of OPM's analysis shall be included in FACCAP along with the number of years the specific space need has been met through leasing. | Partial | Per its compliance response re: 2002 activities, OPM reported it did, on occasion, request a feasibility study when it was warranted. However, OPM did not believe this type of analysis was feasible or meaningful in all cases. |
| OPM shall assume all responsibilities for initially processing requests for space including the dispatching of advance expiration notices. OPM shall establish and monitor turn around times for notices. | Full | Per its compliance response re: 2002 activities, OPM is now the first point of contact for space requests. An informational sheet containing all the required data as well as instructions was developed and sent to all agency heads. The information contained in the sheet must be provided to and approved by OPM before DPW starts its leasing process. |
| State agencies should deal directly with OPM in requesting space. Once OPM has granted its approval, the request should be forwarded to DPW to continue the space acquisition process. | Partial | As noted above, in 2002 OPM assumed an upfront role in the leasing process. It has worked with DPW to improve and streamline the leasing process. |
| DPW must evaluate the state's space standards guidelines and update the space standards manual by January 1, 2003 | Full | Per its compliance response re: 2002 activities, a consulting firm had been contracted to review the existing standards and develop new standards. During 2003, changes were been made to the guidelines and manual. DPW expects these changes will be finalized after review by the State Property Review Board and OPM. |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comments |
| DPW must update its leasing manual to accurately reflect the agency's current policies and procedures. DPW should develop specific time standards for the various procedural steps within each phase of the lease process and promulgate regulations accordingly. | Full | Per its compliance response re: 2003 activities, DPW streamlined its process by eliminating and combining steps. This has reduced process by approximately six months. The new Leasing and Property Transfer unit will rewrite its lease manual and promulgate regulations to reflect practice. |
| DPW must redesign and integrate the current lease tracking instruments into a system that includes lease status reporting for all property agents and measures adherence to standards established for all critical points in the process. A monthly management report should be prepared to compare processing times to the standards. The report shall include documented explanations for all transactions not meeting the standards and what action is planned to get transactions back on schedule. | Full | Per its compliance response re: 2002 activities, DPW was working with DOIT to develop an RFP for a computerized facilities asset management system. The system would contain a leasing module that would allow tracking and status reporting. The RFP was in the final stages of review. Per its compliance response re: 2003 activities DPW was in the process of completing the bid specifications for a Computerized Aided Facilities Management System (CAFM). DPW was currently working with DOIT. One of the components of CAFM system will be a leasing manual module that will allow for the tracking and managing of the agency's lease portfolio. |
| OPM's approval at the lease proposal stage should only be for proposals exceeding preauthorized levels. | Partial | Per its compliance response re: 2002 activities, OPM and DPW continued to work together to streamline the leasing process and would monitor results of procedural revisions. |

Summary of Compliance with Committee Recommendations

| Recommendation | Status After Three Years (2002, 2003, 2004) | Comments |
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| DPW shall conduct a formal training needs assessment of all leasing and property agents including but not limited to their ability to conduct negotiations and evaluate alternatives. Training shall be provided as needed. | Full | Per its compliance response re: 2002 activities, DPW conducted a training needs-assessment in 2002. An extensive training program has been identified to include three classes. Training will be implemented subject to budget constraints. |
| DPW and the Attorney General's Office must finalize standardized lease language by March 31, 2002. | Full | Per its compliance response re: 2002 activities, a standardized lease was finalized March 2002. |
| DPW shall hire a director for its space acquisition function who will assume a quality control position. A formal quality control system shall be established to provide a review of all real estate transactions before they are sent outside the unit. | Full | <p>Per its compliance response re: 2001 activities, the director of Facilities Operations has assumed management responsibility for the Leasing Unit until budgetary situation permits filling the position.</p> <p>Per its compliance response re: 2002 activities The agency is currently under reorganization including merger of the leasing, acquisition and disposition units. The position of administrator leasing and property transfer was filled in February 2003.</p> |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comments |
| <p>The lease management function shall be strengthened and removed from current leasing agents and instead a position be created to deal with these issues. The lease compliance officer will have primary responsibility for:</p> <ul style="list-style-type: none"> • Handling lease management issues raised by client agencies; • Conducting an annual inspection of leased property for conformance with terms of the lease; and • Providing an annual statewide compliance report based on their inspections to leasing agents, the State Properties Review Board (SPRB), OPM, and the attorney general's office. | Full | Per its compliance response re: 2001 activities, these functions were assumed by a DPW Building Superintendent. |
| DPW shall develop tools to flag potential lease renewals and establish a system to monitor the number of month to month leases that includes the length of time and reason a lease has been in holdover status. | Full | Per its compliance response re: 2001 activities DPW created a spreadsheet indicating all holdover status leases and was working with various agencies to put leases in place. The list was reviewed by OPM. |
| DPW must annually remind client agencies through written notice or other formal means that existing state law prohibits disclosure of state real estate needs or interests with outside parties. | Full | Per its compliance response re: 2001 activities, DPW will annually remind client agencies that existing law prohibits disclosure of state real estate needs or interest with outside parties. |
| DPW should increase client agency awareness that even casual routine communications with owners can weaken the state's negotiating power. | Full | Per its compliance response re: 2001 activities DPW will periodically remind its clients of this requirement. |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comments |
| DPW should formalize its initiative of allowing real estate representatives the opportunity to conduct presentations to the leasing unit. | Full | Per its compliance response re: 2001 activities DPW has continued contact with various real estate representatives and meets with them, when appropriate. Moreover, several provide periodic updates on market conditions within the state. |
| The state shall develop standards and criteria for defining surplus and marginal use property and improve its long range planning. | Full | Per its compliance response re: 2001 activities, OPM, in conjunction with DPW and Office of the Comptroller, has developed standards and criteria for defining surplus and marginal use property. These standards will become part of the JESTIR property database in the next system update. |
| The existing statutory deadlines shall be eliminated and be replaced with realistic and reasonable guidelines developed by OPM. The guidelines should be established no later than September 1, 2002. | Partial | Legislation (SB 355) authorizing this change died during the 2002 session. However, OPM reported it intended to develop new guidelines to replace the statutory deadlines by the end of calendar 2003. In its compliance response for 2003 activities, OPM noted it was not able to develop new guidelines in 2003, but intended to address the issue in the near future. |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comments |
| DPW, in conjunction with OPM, shall establish a monitoring system to track the disposition process from beginning to end. Information from this system should be included in DPW's annual report to the SPRB and the legislature. | Full | Per its compliance response re: 2001 activities, a tracking system for property disposition activities has been developed in conjunction with OPM. |
| DPW must update its property acquisition and disposition manual to reflect the department current policies and procedures. Regulations shall be promulgated as needed. | Full | Per its compliance response re: 2004 activities, DPW is updating the property acquisition and disposition manual in conjunction with the leasing manual. The final manual will be issued in conjunction with new regulations. |
| DPW shall develop a standardized format for documenting any negotiations with property owners. In addition, the documentation should include an analysis of purchase alternatives and reasons why the subject property was chosen. | None | Per its compliance response re: 2001 activities, DPW states it will implement this recommendation as time and resources permit. |
| The DPW statutes shall be amended to reflect policy regarding the use and disclosure of appraisals for DPW real estate transactions. | None | Legislation (SB 355) authorizing this change died during the 2002 session. However, per its compliance response re: 2001 activities, DPW states it will implement this recommendation as time and resources permit. |
| The State Properties Review Board shall be granted authority to request, at its discretion, additional appraisals to assist in its review process. | None | Legislation (SB 355) authorizing this change died during the 2002 session. |
| DPW shall adopt a formal process for the selection and inclusion of new appraisers to be used in its real estate transactions. | None | Per its compliance response re: 2001 activities, DPW states it will implement this recommendation as time and resources permit. |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comments |
| All DPW responsibilities relating to leased facilities and property acquisition must be organized into one separate dedicated unit. | Full | <p>The Request for Space process was transferred to the Facilities Management Unit. However, property acquisition continues to be a separate function.</p> <p>DPW has merged the leasing, acquisition and disposition units into a single unit entitled Leasing and Property Management.</p> |
| DPW must establish better information tracking and take steps to improve its quality control with a goal of zero errors in the statutorily required reports. | Full | Per its compliance response re: 2001 activities, the responsibility for the DPW Annual Report was transferred to Facilities Management. Several administrative review and checks were implemented to improve quality and accuracy. |
| The State Properties Review Board should be empowered to sign all leases prior to their final execution. SPRB shall review each lease for compliance with its decisions. All leases differing materially from the terms of SPRB decisions must be reported to the State Auditors Office for further investigation. Parties involved in transactions determined to be out of compliance should be held accountable and subjected to strict penalty and disciplinary action. | Partial | <p>Legislation (SB 355) authorizing this change died during the 2002 session.</p> <p>However, the new standard lease document has few variable fields. Leasing personnel are only allowed to enter the business terms of the lease. The agent, supervisor and director and the Attorney General's office all review and sign-off the document for compliance with the State Properties Review Board approval.</p> |

Medicaid Rate Setting for Nursing Homes (December 2001)

The Legislative Program Review and Investigations Committee's 2001 study of Connecticut's Medicaid rate-setting system for nursing homes examined the efficacy and equity of the current system. The study also explored whether other rate-setting methods, such as a case-mix system, might provide a better approach. During the study, the committee found:

- a gap between the rates provided to nursing homes and the costs incurred by homes;
- no relationship between Medicaid rates paid or nurse's aide hours worked, and the level of care needed by residents;
- a growing number of facilities requesting and receiving special adjustments to rates (about 20 percent per year) and/or facing bankruptcy;
- a case-by-case approach to decision-making because no long-term care plan exists to guide program and financing decisions; and
- inadequate staff resources within the Department of Social Services to oversee financial stability of the nursing home industry.

The committee proposed 11 legislative recommendations, which were raised into sHB 5469. The recommendations would have modified the rate-setting structure by: requiring rebasing (i.e. readjusting) costs every three years to set rates; establishing an inflation index more reflective of nursing home cost increases; and introducing a case-mix approach to rate setting that begins to tie rates to the resident acuity of a facility. The bill also would have strengthened the state's long-term care planning efforts by transferring the long-term care planning function from the Long-Term Care Planning Committee to the Office of Policy and Management (OPM), and added resources and focus to the Department of Social Services' (DSS) role of overseeing the financial stability of the nursing home industry. The bill, however, was not adopted.

In its compliance request about 2003 activities, program review asked if the Medicaid rate-setting unit had made any progress during 2003 in correcting the deficiencies the study found in two areas: 1) absence of written standards for requesting and granting of interim rates and special adjustments; and 2) lack of verification of nurse and nurse aide hours when audits are conducted.

The department responded that no standards had yet been developed for requests or approvals of interim rates. Until August of 2003, DSS had continued to set the conditions of waivers through rate letter agreements between the department and individual nursing facility owners. However, P.A. 03-3 (the act to implement human services provisions of the budget), which took effect in August 2003, limited the granting of interim rates to facilities sold from state court receivership status. This will significantly curtail the granting of interim rates and adjustments. For example, DSS responded it had granted 36 such adjustments in FY 03, and as of mid FY 04 had issued only four interim rates, all related to the sale of Olympus Healthcare receivership facilities.

Secondly, DSS indicated that, because of continued additional demands on auditing staff, the department had not yet been able to add the requirement to check nursing hours worked to its field audit procedures. DSS indicated as it reviews audit procedures in the future, it might add the verification of hours worked if resources permit.

A broader long-term care planning requirement than proposed by the committee was adopted in Special Act 02-7. This act requires the Office of Policy and Management to conduct a comprehensive needs assessment of the unmet long-term care needs in the state and project future demand for services. The act also mandates that the assessment include a review of the Department of Mental Retardation's waiting list.

In its compliance response on the implementation status of the act in early 2004, OPM stated that it intended to conduct the assessment in conjunction with the Long-Term Care Planning Committee's next comprehensive long-term care plan (to be submitted to the General Assembly by January 2004). In addition, OPM indicated that because no new resources were appropriated, it would rely on already completed studies and assessments, rather than conduct original research.

After review of the January 2004 Long-Term Care Plan to the General Assembly, however, the program review committee found that a comprehensive assessment was not conducted as part of that plan. Indeed, even the plan acknowledged this step remained to be completed and stated "to assist in the implementation and refinement of recommendations and action steps [of this Plan], adequate resources must be allocated to accomplish such a comprehensive assessment and analysis." Legislation (HB 5462) was raised in 2004 calling for \$100,000 in funds so that OPM could conduct the assessment mandated by S A. 02-7, but was not enacted.

Privacy and State Agencies (December 2001)

In March 2001, the program review committee voted to study the issue of privacy and state agencies. State government collects enormous amounts of personal information about individuals, which is handled in a number of different ways. The study focused on information privacy-- what policy and implementation structure existed to balance individual privacy concerns with the interest of open government, and how effective was that structure. The committee study identified a collection of state statutes, regulations, and court decisions that make up Connecticut's current information privacy policy. The committee found Connecticut has most of the statutory pieces in place that those in the field of information privacy believe are important. However, the committee believed there were deficiencies that diminish the importance of the privacy value in the balance with open government. These included: 1) lack of actual affirmative agency notice to individuals who supply personal data about how their data will be used; 2) a substantive conflict between the FOIA and the PDA; and 3) lack of guidelines for agencies and the public on the application of the invasion of personal privacy exemption.

To address these deficiencies, the committee made several recommendations, all but two requiring legislation. The committee raised SB 356 during the 2002 legislative session, which did not pass.

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comment |
| Amend the Personal Data Act to require each agency to develop and provide to every person providing personal information to the agency a written statement about how the agency would handle the information and the individual's rights. | None | Recommendation contained in SB 356 (Section 2). Not passed |
| Amend the Personal Data Act to resolve the conflict between the Act and the Freedom of Information Act related to public access to personal information and agency recordkeeping requirements | None | Recommendation contained in SB 356 (Section 1). Not passed |
| The Freedom of Information Commission shall compile a summary of FOIC and court decisions on the invasion of privacy exemption for agencies and the public, and keep the summary updated. | None | Agency noted in its January 2003 compliance response that it was faced with numerous resource issues that prevented it from undertaking what it believes is an enormous task |
| Establish an independent Office of Information Privacy Advocate (OIPA) to proactively review and evaluate agency activities related to information privacy, develop and promote educational materials for Connecticut citizens, and form and coordinate a working group of privacy compliance officers to develop guidelines for publication of agency records on the Internet | None | Recommendation contained in SB 356 (Section 3). Not passed |

| Summary of Compliance with Committee Recommendations | | |
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| Recommendation | Status After Three Years (2002, 2003, 2004) | Comment |
| Each agency shall appoint a privacy compliance officer, who shall report directly to the commissioner and be responsible for the agency's compliance with the Personal Data Act and other information privacy requirements. Each agency shall report to the OIPA on specific items to demonstrate agency compliance with state information privacy laws | None | Recommendation contained in SB 356 (Section 2). Not passed |
| The Department of Motor Vehicles should develop and implement a systematic method of reviewing contract compliance for volume sales, as well as a system of spot-checking nonvolume sales activities | Partial | Some volume sales contract compliance review has continued. |

Recidivism In Connecticut (December 2001)

In March 2001, the Legislative Program Review and Investigations Committee authorized a study of recidivism in Connecticut. The study tracked, for the first time, the extent convicted adult felons who were sent to prison or sentenced to probation were subsequently rearrested, reconvicted, and sentenced for new crimes. The study also analyzed any differences in the recidivism rates between inmates and probationers and among different categories of offenders such as males and females, Caucasians and minorities, or violent, property and drug offenders. Crime patterns and trends were tracked to identify any predictors of recidivism based on offenders' criminal histories, demographics, program participation, and other factors.

The committee found a high rate of recidivism among the two study groups: inmates discharging from prison and offenders sentenced to nonprison sanctions such as probation, conditional discharge, accelerated rehabilitation, and youthful offender status. Most felony inmates (70 percent) were rearrested at least once during the three-year period after release from prison. Almost half of the discharged inmates were reconvicted of a new crime and about 25 percent were reincarcerated and an additional 33 percent received a nonprison sanction (generally probation). Among the probationer group, 58 percent were rearrested at least once for a new crime and 33 percent were reconvicted. Only 11 percent of the probationers were sent to prison as a result of a new crime but 21 percent were sentenced to another community supervision sanction.

Based on the analysis, the committee further found the highest recidivism rates were among young, male, African American offenders in both groups. Offenders with extensive prior

criminal histories were more likely to be rearrested than offenders with less serious criminal histories. In general, repeat offenders in both groups committed a variety of new felony and misdemeanor crimes and did not “specialize” in one type of crime. Overall, most of the repeat criminal activity was nonviolent and less serious felonies and misdemeanor property crimes, drug sale and possession offenses, and crimes such as disorderly conduct, breach of peace, and motor vehicle infractions. However, property offenders reoffended more often and were more likely to recommit the same type of crimes than violent offenders. A previous drug conviction was not a strong predictor of rearrest for a new drug sale or possession crime.

As this study showed, it is feasible to use existing automated criminal history data to calculate recidivism rates and to analyze the trends and patterns of reoffending among a large group of inmates. Tracking the rate of recidivism based on that data is crucial to a comprehensive understanding of crime and necessary to develop and implement effective and cost-efficient policies and programs that attempt to reduce crime and protect the public’s safety. Recidivism also contributes to the prison overcrowding problem experienced by the state in recent years.

The report offered one recommendation aimed at initiating an on-going process to track and analyze the rates of rearrest, reconviction, and reincarceration of felony and misdemeanor offenders on a yearly basis. The committee proposed the Department of Public Safety’s Division of State Police conduct and report on the analysis. No legislation on this issue was raised.

The Department of Public Safety reported it was unable to conduct the recommended analysis of recidivism due to a lack of personnel and fiscal resources.

2000 Studies: Compliance

Overview

The program review conducted nine studies in 2000, listed below. Calendar years 2001, 2002, and 2003 marked the three-year time period during which, by committee practice, recommendations from these program review studies were followed to gauge implementation. Final compliance status is reported here on each of these studies.

- Bradley International Airport
- Connecticut Siting Council
- Department of Public Works Facilities Management
- Economic Development Considerations in Transportation Planning
- Educational Services for Children Who Are Blind or Visually Impaired
- Factors Impacting Prison Overcrowding
- Judicial Selection
- Regional Vocational-Technical School System
- Staffing in Nursing Homes

Bradley International Airport (2000)

In March 2000, the Legislative Program Review and Investigations Committee voted to study Bradley International Airport (BIA) to determine if the airport was optimally achieving its economic development potential. The call for the study came after several consultant studies and the Governor's Council on Economic Competitiveness and Technology's report were issued calling for substantial change at BIA.

In its 2000 study, the program review committee found BIA lacked a business development focus, and was run like a state agency despite being established as an enterprise fund -- reliant on its own revenue, not taxes -- to operate. The committee also found that the Department of Transportation (DOT), which manages and operates BIA, had delayed some of the larger projects called for in the 1993 airport master plan, which placed construction of a new terminal three years behind its planned 1999 completion date.

The committee concluded that airside operations, not business development, had been BIA's major focus and, to be successful, BIA must place greater emphasis and resources on business development, including marketing and customer relations.

The program review committee determined BIA needed outside direction from key business leaders with authority over key personnel, financing, planning, and operations. The committee developed a three-pronged approach, encompassing 14 separate recommendations, to improve BIA's structure and operations:

- 1) change the governance structure to introduce a board of directors with authority over key BIA decisions;
- 2) provide additional resources and staff with appropriate business development background; and
- 3) remove cumbersome state bureaucratic constraints on BIA's operations

Legislation/Compliance. The majority of the committee's recommendations were incorporated into SB 1276 in the 2001 legislative session, but died in the Transportation Committee. That same year, the Transportation Committee raised an omnibus transportation strategy bill (HB 6985), which was enacted during the 2001 June Special Session (P.A. 01-5). The act contained some provisions similar to the program review committee's bill, while other elements required less change for BIA than program review's bill.

Public Act 01-5 established a seven-member board comprising the commissioners of transportation and economic and community development, as well one appointed member each from the Connecticut Transportation Strategy Board, and community advisory board (both boards created in the act) and three public members. Individual members are appointed by legislative leaders or the governor, as specified in the bill. (The program review bill had called for nine members – the same two agency commissioners -- and seven members appointed by the governor with legislative approval). The act requires the appointed members to be senior business leaders or executives with corporate or institutional experience, similar to the program review bill.

The act abolished the Bradley Airport Commission, and replaced it with a community advisory board (CAB), provisions also included in the program review bill. The act specified the appointees to the community advisory board consist of the chief elected officials of the four towns surrounding Bradley, while the program review bill did not change the membership of the previous Bradley Airport Commission, but had made its role advisory, and changed its functions.

Public Act 01-5 outlined 14 functions the Bradley Board of Directors must perform, many of them comparable to functions contained in the program review bill. There were three major differences.

- The program review bill outlined the airport management and organizational configuration in statute while P.A. 01-5 requires the board, *in consultation with the DOT commissioner*, to establish its management and organizational structure administratively.
- The program review bill authorized the board, after a transition period ending January 2003, to develop job descriptions for its management team, including a chief executive officer (CEO) for Bradley, with those positions filled by the board. Public 01-5 did not change the hiring or reporting of Bradley management, but requires that consultants recommended by the board and hired by DOT must report to the board and not the department.

- The program review bill authorized the Bradley Board to oversee management of the airport, including setting rates and contracting for the airport. P.A. 01-5 maintains DOT management of Bradley but gives the board oversight authority --- such as approval of the airport's operating and capital budget, and review of significant contracts related to airport operations.

For each of the three years since the study was completed in 2000, the committee has asked DOT to confer with the Bradley Board and respond to the committee regarding progress in addressing the committee recommendations. Overall, significant progress has been made in implementing the statutory requirements (via P.A. 01-5) as well as the administrative recommendations since the study was completed. (The completion of the airport master plan appears significantly behind schedule, however.)

During 2003, Bradley's new terminal opened on schedule and new businesses have located around the airport, positive signs for Bradley's future. Much of the progress appears linked to the Bradley Board of Directors assuming a strong directive and oversight role in Bradley decisions, and the board's close working relationship with DOT and BIA's administration.

| Summary of Implementation of Committee Recommendations | | |
|---|--|---|
| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
| Establish a board of directors to oversee BIA operations with direct operational authority, including approval authority for hiring top management personnel, consultants, and organizational structure | Partial | PA 01-5 established a board of directors, but with different size, composition, appointing authority, and member terms, as well as less approval authority than the PRI recommendation. Board advises DOT. A new organizational chart was submitted with BIA's compliance response for 2002 activities. BIA filled the communications director position, and indicated the marketing director position would be filled soon to replace person who took early retirement. Board is involved in interviews and makes recommendations on hiring, but DOT makes final personnel decisions. |
| Board approve Bradley's annual capital and operating budget | Partial/Full | Board was actively involved in the development and approval of the BIA budget. BIA's compliance response for 2003 activities indicated its operating revenues grew by 15%, primarily through |

Summary of Implementation of Committee Recommendations

| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
|---|--|---|
| | | increased airline revenue. DOT reported BIA received \$5 million in federal funds for capital improvements in 2003, down considerably from the \$12.2 million received in 2002. However, as the compliance response indicated, the 2002 amount was unusually high because of funding related to the new terminal including roadway improvements, apron expansions, and one-time security installations. While the \$5 million in 2003 is substantially higher than the average annual federal fund amounts BIA was receiving prior to the PRI study, the Board should exercise its oversight to ensure DOT is optimizing federal revenue sources. |
| Establish cooperative efforts with the Transportation Strategy Board | Full | Cooperation maintained during 2003. |
| Board shall establish a mission statement and strategic goals for BIA and regularly assess progress | Partial | Mission statement adopted in December 2001. Board adopted strategic framework during 2002 with the comprehensive plan and assessment mechanism to be developed in 2003. The development of specific strategy goals had been somewhat delayed in the aftermath of September 11, 2001. The Board was required to focus on a nimble response to federally mandated changes and industry conditions. |
| Approve the airport master plan | Partial | DOT and the BIA Board indicated in the 2003 compliance response that they expected BIA's new airport master plan to be completed in 2003. However, as of March 2004, the plan was not yet finished. Due to 9/11/01 events, aviation demand forecasts had to be revised to reflect trends |

| Summary of Implementation of Committee Recommendations | | |
|--|--|--|
| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
| | | since that time. The BIA 2003 compliance response indicated a master plan website and a public involvement program had been implemented, although program review staff checked the website in early 2004 and found the information quite dated. Intensive work group meetings were planned to complete the master plan in 2004. |
| Establish and review marketing plans, and establish “best use” of airport property | Partial | In its compliance response for 2002 activities, BIA noted the marketing budget had been cut by 50% due to BIA’s financial condition. In its compliance response for 2003 activities, BIA indicated that efforts continued during 2003 to market BIA. Those included: revamping the volunteer program; conducting a customer satisfaction survey (with promotional offers to enhance response); and requiring the parking operator to conduct a survey to gauge residence of airport users. The BIA Board formed a marketing subcommittee, and planned to hire a marketing director in 2003. |
| Develop procedures related to consultant selection and review of significant contracts. | Full | Board formalized consultant selection procedures during 2002. |
| Seek appropriate independent expertise, especially on strategy and marketing, and select consultants needed. | Full | Board has worked with several consultants especially in areas recommended. Board indicated in compliance response on 2002 activities it used consultants sparingly and cost-effectively, given financial conditions since 2001. |
| Ensure customer service standards, performance targets and assessment systems are established | Partial | At November 2001 board meeting, consulting firm presented a passenger survey of airport use and services. Compliance response in early 2002 |

| Summary of Implementation of Committee Recommendations | | |
|---|--|--|
| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
| | | indicated consultant would conduct another survey in early 2002, and asked for board input. The 2003 compliance response noted the board was in the process of refining and institutionalizing a process to accomplish customer feedback on a regular basis. As noted above in the comments related to marketing plans, additional progress was made during 2003. |
| Approve community relations policies and ensure the CAB regularly considers comment from the community in airport-related decisions | Partial | The CAB met six times during 2003. Although the CAB and the Bradley Board have not held a joint meeting, the Bradley Board chair attended one of the CAB meetings, and the chair of the CAB sits in the Bradley Board as required in P.A. 01-5. The CAB has begun a review of land-use regulations at the state, federal and local levels in order to better understand and anticipate potential barriers to development. CAB, with the help of the Capitol Region Council of Governments, has developed a comparative matrix of the four towns surrounding the airport on regulatory restrictions, and an inventory of utilities, both of which will be shared with the Bradley Board of Directors. |
| Adopt code of conduct for members and rules for conducting business | Full | Board adopted Code of Ethics for Public Officials (Chapter 10 of CT General Statutes) and Roberts Rules of Order at its October 2001 meeting. |

Connecticut Siting Council (2000)

In April 2000, the Legislative Program Review and Investigations Committee authorized a study of the Connecticut Siting Council (CSC). Established in 1971, CSC's primary purpose is to balance the need for adequate and reliable public services at the lowest reasonable cost to consumers with the need to protect the environment and ecology of the state. The council has

siting jurisdiction in a number of areas including: energy, telecommunications, hazardous waste disposal, low-level radioactive waste management, and ash residue management facilities.

Developers of a new or modified facility regulated by the council must obtain a council certificate prior to beginning construction. The council reviews applications and conducts public hearings on proposed projects. The specific steps in the certification process and timeframes for completing them are established by statute and regulation.

Administratively located within the Department of Public Utility Control, the council operates as an autonomous body with its own staff. Council membership is statutorily dictated and varies depending on the type of proceeding being conducted.

The siting study examined and assessed the policies, procedures, and overall operation of the Connecticut Siting Council. In particular, the study focused on the council's ability to balance the need for the facilities it oversees with the need to protect the environment, public health, and safety. As part of its review, the committee considered:

- the range of jurisdiction, powers, duties, role, and responsibilities of the council;
- major council activities including certification process and overseeing completed projects;
- development and implementation of criteria used in evaluating applications;
- adherence to statutory timeframes and overall efficacy of process; and
- the council's relationship with municipalities and other governmental bodies.

The committee made findings and recommendations in the following three areas: CSC process and outcomes; council interaction with municipalities and other interested groups; and CSC jurisdiction.

Legislation/Compliance. In 2001, the committee raised two bills based on the CSC study: SB 1252, establishing municipality jurisdiction over telecommunications tower siting used by PCS (personal communications services) systems; and SB 1253, requiring council decisions structured in a format that clearly outlined the criteria used in arriving at its decision and mandating the creation of a telecommunications tower database. Neither bill passed, but as the table below, which summarizes the implementation of the committee recommendations, indicates that even without legislation, activity occurred related to the committee recommendations.

Summary Of Implementation of Committee Recommendations

| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
|--|--|---|
| CSC must advertise its public hearing notice at least once within the two-week period prior to the actual hearing date. | None | CSC maintained in its first compliance response about 2001 activities that publication of a second hearing notice could cost as much as \$2,000, based on previous notice invoices. |
| <p>Written council decisions should:</p> <ul style="list-style-type: none"> • clearly outline criteria used and provide evidence of independent analysis; • state the basis for each decision as to each disputed issue, and the statutory criteria considered in arriving at such decision, including where applicable, the specific evidence relied upon, and the reasons for the reliance; • contain more discussion as to the council position on opposing party claims and more explanation as to why alternatives are not chosen. | Full | SB 1253 would have enacted this recommendation into statute, but the bill failed. However, the council reported in its compliance response about 2001 activities that CSC staff follow a format for “Required Elements for Findings of Facts”, issued December 20, 2000. |
| A summary digest of council decisions must be developed and maintained by October 1, 2001. | Full | In its compliance response re: 2001 activities, CSC reported it maintained public files indexing all decisions by docket and/or petition number and alphabetically by town. All decisions were also posted on the agency’s website. In its compliance response re: 2002 activities, CSC maintained it did not have the staff or resources to develop a summary at the time. Since January 2003, the council reported it had added one staff analyst who worked exclusively on |

Summary Of Implementation of Committee Recommendations

| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
|--|--|--|
| | | council decisions. It also reported vast improvements have been made to the council website. The public can immediately review past and present council decisions as well as other related information. Information is updated following council meetings and material actions. |
| CSC must include in each decision a summary of any municipal consultation and recommendations. | Full | The council reported in its compliance response re: 2001 activities the new CSC decision format required a summary of municipal consultation and recommendations. |
| CSC should establish a more structured schedule for follow-up and monitoring inspections and as much as possible incorporate other interested government agencies such as local municipal planning and zoning authorities or the state Department of Environmental Protection. | Full | The council reported in its compliance response re: 2001 activities it believed it could implement this recommendation without statutory change. However, CSC noted that additional and more regimented site inspections may require an increase to its budget. |
| CSC must develop a method of collecting information on all telecommunications towers in Connecticut, and establish and maintain a statewide inventory of these telecommunications towers. | Full | SB 1253 would have enacted this recommendation into statute, but the bill failed. However, according to its compliance response re: 2001 activities, CSC developed and maintained such a database. CSC noted it relied on the cooperation of municipal agencies for information. |

| Summary Of Implementation of Committee Recommendations | | |
|---|--|---|
| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
| Municipal planning and zoning boards shall have siting jurisdiction over PCS telecommunications facilities. The Connecticut Siting Council may participate as an intervenor in any such planning and zoning board proceedings. Municipal planning and zoning boards shall establish timeframes for these proceedings. | None | The recommendation was embodied in SB 1252, which died in the Environment committee during the 2001 session. In December 2001, a federal appellate court affirmed a lower court decision that the statutory definition of cellular towers includes personal communications services (PCS), thereby shifting jurisdiction over PCS towers to the council. |

Department of Public Works: Facilities Management (2000)

The program review committee studied the Department of Public Works (DPW) in 2000, specifically whether it carried out its facilities management responsibilities in compliance with relevant state laws and regulations, and in a manner that effectively and efficiently met the needs of state agencies. In 2000, the Facilities Management Unit within the Department of Public Works had a staff of 71 and an annual general fund operating budget of \$22.2 million. The unit either directly managed or oversaw the management of 7.3 million gross square feet of space at the end of FY 00. Several large state hospital campus facilities, including Fairfield Hills, Norwich, and Seaside Heights, which were considered surplus property and in the process of ownership transfer by the state, were managed by DPW at the time of the study. All surplus property sites were managed by private companies under contract with DPW.

Legislation/Compliance. The committee made a number of recommendations intended to improve property management performance by increasing available management information and regularizing property management oversight. None of the recommendations were raised in legislation, but were rather consider administrative in nature. The table below summarizes the compliance status of the recommendations since the study was completed, and key points from the agency compliance responses.

| Summary of Implementation with Committee Recommendations | | |
|--|---|---|
| Recommendation | Status After Three Years (2001,2002, 2003) | Comments |
| Begin developing a fully automated and integrated facilities management database to use as the foundation of a comprehensive management information system. Decide on the data elements necessary for establishing a complete and current facilities management inventory system. The database should become fully operational by January 1, 2002. | Partial | DPW reported in its compliance response for 2002 activities a draft RFP had been prepared for development of a comprehensive database. Upon vendor selection and full funding, a three-year implementation timeframe was anticipated. The new system would incorporate the asset management, space planning, and leasing functions. It was unclear from DPW's response when the RFP would be issued. In its compliance response for 2003 activities, DPW reported bid documents for a pilot computer aided facilities management system had been completed. An evaluation of software based on DPW facilities, planning, and leasing needs had also been completed. The department was working with the state's information technology department to coordinate the bid selection process. |
| Collect and enter comprehensive inventory information to sustain database at least quarterly. At a minimum, the information should include: 1) comprehensive building assessment data; 2) automated drawings of space configurations within buildings; and 3) health/safety/fire and OSHA reports, maintenance schedules, and repair information. | Partial | Per DPW's compliance response for 2002 activities, inventory information was anticipated to be a component of the automated asset facilities system, if and when the system was implemented. Until then, DPW was establishing centralized files on building data. According to its response for 2003 activities, DPW was still using manual systems to collect building data, preventative maintenance reports, and environmental and safety documents. |
| The inventory database information | Partial | In its compliance response for |

| Summary of Implementation with Committee Recommendations | | |
|--|---|---|
| Recommendation | Status After Three Years (2001,2002, 2003) | Comments |
| within the Facilities Management Unit should be coordinated with, and communicated to, other relevant divisions within the public works department on a frequent basis. | | 2003 activities, DPW noted the automated inventory database was designed to be available on the department's server. |
| Determine the management information and reports it deems appropriate for internal analysis and planning purposes by July 1, 2001. | Full | As noted in DPW's compliance response for 2002 activities, relevant management information reports had been determined. |
| Establish a formal program for obtaining accurate and reliable building assessment information for all properties under unit's care and control. Program should be phased in over a five-year period beginning July 1, 2001, and incorporate each property under the department's care and control. Assessment information for properties coming "online" either during or after the initial five-year period should be accounted for immediately. | Partial | As noted in DPW's compliance response for 2002 activities, assessments for 12 buildings had been completed over the last two years (2001 and 2002). Resources were not available to conduct additional assessments in 2003, but would continue based on available funding. In its compliance response for 2003 activities, DPW noted it was requiring capital project assessment reports from property management firms or DPW supervisors for all locations. |
| Formalize initial review process for determining capital repairs. Begin developing capital maintenance plans based on one, five, and 10-year increments. Prioritize capital projects for budgeting and resource allocation purposes. | Full | Per the compliance response for 2002 activities, the capital repair review process was formalized, documented and prioritized for a three-year period. Formal interface developed with finance unit to coordinate and establish priorities. The database at the time documented 23 buildings/sites. The database was eventually to be expanded to five and then 10 years. In its compliance response for 2003 activities, DPW noted regular meetings were held between the department's finance unit and deputy commissioner to coordinate |

| Summary of Implementation with Committee Recommendations | | |
|---|---|--|
| Recommendation | Status After Three Years (2001,2002, 2003) | Comments |
| | | capital repairs and identify funding. Desired projects were listed and prioritized for all facilities. The list was updated annually and a three-year horizon plan was developed. |
| Establish a structured preventative maintenance program for the DPW properties managed using in-house resources. Include oversight by the unit to ensure preventative maintenance plans for all facilities under the department's care and control are fully implemented. | Partial | In it compliance response for 2002 activities, DPW noted preventative maintenance requirements had been standardized and property management firms were required to submit monthly preventative maintenance reports. (Implementation of the recommended oversight function was lacking in the department's response.) |
| Fully implement a system to regularly analyze property management costs on a regular basis for all properties under DPW's care and control. | Full | In it compliance response for 2002 activities, DPW reported coordination, meetings, and reports existed between facilities management and financial management. In it compliance response for 2003 activities, an internal property management group was set up to review facilities management invoices. All invoices also reviewed by the department's finance unit. |
| Develop a structured program for ensuring the performance of property management services for its entire inventory of buildings. Design program around measurable goals and objectives developed by DPW for each building on an annual basis. Include random spot checks at least annually to ensure property management performance. Require property managers to submit for review by the facilities unit annual reports detailing at a minimum: 1) the | Full | A formal management inspection form (e.g. report card) has been developed and implemented. The inspection reports are performed annually to ensure the performance of property management firms. Also, random and planned inspections, using the inspection form, were been conducted on DPW properties. |

| Summary of Implementation with Committee Recommendations | | |
|--|---|--|
| Recommendation | Status After Three Years (2001,2002, 2003) | Comments |
| major property management accomplishments for each building managed; 2) outstanding projects; and 3) complaint information. Performance measures should be developed by July 1, 2001, and regularly monitored. | | |
| The Facilities Management Unit should have discretionary authority to require performance surety bonds from property managers at the beginning of each contract cycle. The bonds would be used by the state to ensure contractor performance on a yearly basis. If vendor performance does not meet agreed upon goals and objectives predetermined by the facilities unit and contractor, DPW would have the option of withholding a specified amount of the bond. | None | DPW believes existing contract provisions contain sufficient means to address poor performance by its contractors, including a 30-day contract cancellation clause that facilitates replacement of any poor performing property management firm, and a three day cancellation for cause. As such, the agency believes there is no need to require surety bonds to ensure property managers' performance. |

Economic Development Considerations in Transportation Planning (2000)

The program review committee authorized a study in March 2000 of the economic development considerations in transportation planning. The study called for an assessment of how the Connecticut Department of Transportation (ConnDOT) responds to the strategic economic development needs of the state.

The committee found transportation investments can have an influence on the state's economic prosperity but this effect was not factored in ConnDOT's planning process or investment decisions. In addition, the interaction between ConnDOT and the Department of Economic and Community Development did not facilitate a strategic planning orientation to sustain economic growth.

The report offered a series of recommendations aimed at improving transportation planning by promoting strategic thinking and action as well as enhancing the organizational response of ConnDOT. A new entity was proposed, the Connecticut Transportation Board, to: develop a vision for the transportation system and a new mission for the Department of

Transportation; create and update a 10-year strategic plan and financial plan for the operation, maintenance, and improvement of the transportation system that emphasizes a comprehensive and balanced statewide transportation system; oversee any organizational changes; and monitor the implementation of the strategic plan.

Legislation/Compliance. The committee’s raised bill (sSB 1275), which contained a majority of the recommendations summarized above, did not pass during the regular 2001 legislative session. However, Public Act 01-5 enacted during the 2001 June Special Session of the General Assembly incorporated some of the same concepts contained in the committee’s recommendations, including the creation of the Connecticut Transportation Strategy Board (TSB). The table below summarizes the compliance status with the major components of the legislation.

| Summary of Compliance with Committee Recommendations | | |
|--|--|--|
| Recommendation/ Public Act 01-5 requirements (as amended) | Status After Three Years (2001, 2002, 2003) | Comment |
| Members of Board: 15 voting members including five members from the private sector who have expertise in transportation, business, finance or law, one member from each Transportation Investment Area; the Commissioners of Transportation, Environmental Protection, Economic and Community Development, and Public Safety; and the Secretary of the Office of Policy and Management. | Full | All members have been appointed to the board. |
| Strategic Plan: Submit to General Assembly an initial strategy no later than January 15, 2002. Update or revise strategy, if necessary, and submit report on implementation to the Governor and General Assembly on Dec. 15, 2002 and every two years thereafter. | Full | The Transportation Strategy Board (TSB) submitted its strategic plan to the Governor and the General Assembly on January 6, 2003. |
| Financial Plan: Develop 10-year financial plan for operating costs and capital investments | Full | TSB has presented a 10-year estimate of cost projections for recommended strategic actions and tactics. In addition, the strategy board has identified a number of potential revenue options including increasing current fees and taxes, as |

| Summary of Compliance with Committee Recommendations | | |
|---|--|--|
| Recommendation/ Public Act 01-5 requirements (as amended) | Status After Three Years (2001, 2002, 2003) | Comment |
| | | well as identifying a few new sources of revenue. |
| Prioritization: Include in strategy criteria by which the board, the commissioner, and the department will prioritize existing and proposed projects | Full | TSB developed an overarching objective and five principal strategies to strengthen Connecticut's transportation system. Further, it has identified a number of strategic actions and tactics the state should pursue through 2013 to support those strategies. The Board anticipates prioritization and refinement of the proposed actions will be a continuing process as circumstances evolve. |
| Performance Measures: Identify tools and measures to assess transportation system performance and analyze value of projects | Partial | TSB has budgeted for and is planning to develop evaluation tools and metrics that will improve the oversight of transportation investments. |
| Monitoring: Monitor implementation of strategy for purposes of continued recommendation | Partial | ConnDOT is statutorily obligated to work with TSB to review capital and operating budgets and prioritize projects consistent with the strategy that has been delineated by the board. |
| Regional Planning: Establishes Transportation Investment Areas (TIA) that divides the state into 5 geographical areas. TIA participants are selected by the local planning agencies and are responsible for creating a strategic corridor plan for their area. | Full | TIAs were in place by mid-October 2001. The TIAs have coordinated their work with five working groups that focus on specific issues in transportation and have developed regional plans that were incorporated into the final 2003 TSB strategy document. |
| Staff: Utilize staff of DOT, DECD, and OPM. May request consultants from OPM within available appropriations | Full | DOT has appointed a full-time manager and has hired an outside consultant to assist the board. |
| Impact Statement: DECD required to submit impact statement to transportation board on each new project or new construction seeking | Partial | Prior to the adoption of the final strategy submitted in January 2003, DECD had provided listings of projects on a quarterly basis to the |

| Summary of Compliance with Committee Recommendations | | |
|---|--|---|
| Recommendation/ Public Act 01-5 requirements (as amended) | Status After Three Years (2001, 2002, 2003) | Comment |
| funding from said <u>agencies</u> indicating whether it conforms to strategy of board | | TSB that may have impacted the Board's emerging strategy. A more formal impact statement related to the actual strategy and tactics may need to be developed. |

Educational Services for Children Who Are Blind or Visually Impaired (2000)

The program review committee completed a study of the state's system for providing educational services to children who are blind or visually impaired in 2000. In Connecticut, the state Board of Education and Services for the Blind (BESB) has a major role in providing education-related services and financial subsidies to children with vision disabilities while local school districts have primary responsibility for all special education matters.

The committee found leadership for vision education in the state was lacking and roles were confused. In addition, the system for distributing state resources for vision education was unfair and inefficient. The committee recommended several statutory changes and a series of administrative improvements to make state supported vision education services more equitable and effective.

Legislation/Compliance. Two bills based on the program review study were introduced in the 2001 regular session of the General Assembly. The provisions of one (HB 6664) clarified the education role of the Board of Education and Services for the Blind, strengthened leadership for vision education, and promoted collaboration between BESB and the state Department of Education (SDE) by: 1) articulating BESB's education mission in statute; 2) removing the misleading term "board of education" from the agency's name; and 3) adding a representative from the education department as an ex officio member of the agency's advisory board. It also expanded the mission and membership of the Braille Literacy Advisory Council to encompass the full array of education services available to children with vision-related disabilities.

The second bill (HB 6663) authorized BESB to operate like a regional education service center and provide its teachers of the visually impaired to local districts on a fee-for-service basis in order to address inequities and inefficiencies in the way specialized teacher services are currently supplied throughout the state. It also replaced BESB's cumbersome and ineffective funding mechanism with a new, more flexible vision education grant program.

Both bills passed the House unanimously but failed to be acted upon in the Senate before the end of the session. They were reintroduced for consideration during the 2002 regular session, but also were not enacted.

In 2003, legislation based on one of the two earlier program review bills, concerning vision education funding, was raised once again and enacted during the 2003 regular session (P.A. 03-219). The original program review recommendation would have required BESB to establish a fee-for-service system for teachers it provided to schools and proposed state aid be redirected to first help districts pay for specialized books, materials, and equipment and then be used to help defray costs of teachers of the visually impaired. Public Act 03-219 took a different approach to resolving the equity issue by requiring BESB to provide free teachers to all districts that request services, within available appropriations, but set the same funding priorities and has the same anticipated fiscal impact as the committee's proposal.

BESB Monitoring Council. Another act from the 2003 session, P.A. 03-217, created a temporary monitoring council to address legislative concerns over BESB's overall performance in carrying out its mission and full range of statutory duties. The 14-member council, composed of certain legislators (including the program review committee co-chairs), the BESB executive director and several other state agency heads, and representatives of the blind community, must establish benchmarks for agency management, operations and services and report on progress made in meeting those benchmarks over a one-year period. The council's report must also include legislative proposals and recommended changes in BESB's organizational structure.

The monitoring council's mandate covers several administrative recommendations from the 2000 program review committee study related to establishing and tracking outcome measures for vision education services. In addition, the council review of BESB's management and structure could aid strategic planning efforts and help clarify the agency's mission and role in vision education, two additional recommendation areas from the committee's vision education study. Originally scheduled to complete its work by July 1, 2005, the monitoring council was extended by P.A. 05-5 until January 1, 2006.

In terms of administrative recommendations, BESB and the state Department of Education (SDE) fully implemented four committee recommendations related to teacher availability, teacher training, and technical support for local districts during 2001, the first year following the report's release. Both agencies have taken additional steps in subsequent years towards compliance in the four remaining administrative recommendation areas as noted in the table.

The following table summarizes progress made to comply with program review committee findings and recommendations on vision education services. Corrective actions reported by both BESB and the Connecticut State Department of Education (SDE) as well as relevant legislative activities are included in the table.

| Summary of Compliance with Committee Recommendations | | |
|---|---------------------------------|----------------|
| Recommendation | Status After Three Years | Comment |
| | 2001, 2002, 2003 | |
| | | |

| Summary of Compliance with Committee Recommendations | | |
|---|---------------------------------|---|
| Recommendation | Status After Three Years | Comment |
| | 2001, 2002, 2003 | |
| <p>To strengthen leadership and clarify roles, amend statutes to: articulate BESB’s education services mission;</p> <ul style="list-style-type: none"> • rename the agency “Connecticut Services for the Blind” • add SDE representative as ex officio member of advisory board • expand mission of Braille Literacy Advisory Council, change name to Advisory Council on Vision Education and add 2 members | Partial | <p>Bill incorporating recommendations passed House but not Senate in 2001 (HB 6664); reintroduced for consideration by PRI in 2002 session (SB 354). This bill passed Senate but not acted on in House. In 2003, Council created under P.A. 03-217 mandated to monitor BESB’s activities in carrying out its mission and statutory duties and propose legislative and organizational changes during 2004</p> |
| <p>To redirect funding to support vision education goals and increase access to services, amend statutes to:</p> <ul style="list-style-type: none"> • authorize BESB to provide teachers on a fee-for-service basis and to establish a self-sustaining account for related revenues and expenses; • repeal current per-child funding provisions and replace with grant program that is <ul style="list-style-type: none"> – funded at \$6,400 times number of blind and visually impaired children; – first provides eligible children with vision-related disabilities with all specialized instructional materials required to access educational program; – then uses any remaining balance for supplemental | Full | <p>Bill incorporating recommendations passed House but not Senate in 2001 (HB 6664); reintroduced for consideration by PRI in 2002 session (SB 354). This bill passed Senate but not acted on in House.</p> <p>Under P.A. 03-219, statutes amended to repeal per-child funding cap and redirect state vision education funding to first provide specialized books and instruction materials and then defray costs of teachers of the visually impaired and other vision professional services; act establishes flexible funding and funding priorities as recommended in committee report</p> <p>Act requires BESB to provide free teachers of the visually impaired to all districts on request within</p> |

| Summary of Compliance with Committee Recommendations | | |
|--|--|---|
| Recommendation | Status After Three Years 2001, 2002, 2003 | Comment |
| <p>funding to districts in proportion to their costs of TVIs and related vision education services; and</p> <p>– require BESB in consultation with SDE to develop formula and description of all eligible expenses.</p> <p>Use state funds formerly allocated for teacher costs to augment central resources and support</p> | | <p>available appropriations (rather than establish a fee for service system for all districts)</p> <p>BESB working group developed teacher caseload formula based on student needs</p> <p>Stakeholders group established by BESB that includes SDE (as well as teachers, parents, and special education directors) is developing revised children’s services policy and procedures manual that includes reimbursement formula; final draft under review as of Feb. 2004</p> |
| BESB pursue contract revisions to ensure 12-month availability of teachers | Partial | Per compliance response for 2001 activities, new collective bargaining agreement allows teachers to work up to 5 days over summer; initial visits provided to all new referrals and various services available in summer months |
| Take necessary action to make teacher services for Birth-to-Three program available year-round by 6/30/01 | Full | Per compliance response for 2001 activities, summer teacher services and other program compliance issues resolved under July 2001 memorandum of understanding with DMR |
| SDE include BESB in federal teachers of visually impaired training project | Full | Per compliance response for 2001 activities, BESB education supervisor made liaison for SDE project; SDE and BESB collaborating on New England regional teacher training program that includes distance learning program |
| SDE in consultation with BESB conduct | Partial | Formal assessment of long-range |

| Summary of Compliance with Committee Recommendations | | |
|--|---|--|
| Recommendation | Status After Three Years 2001, 2002, 2003 | Comment |
| long-range personnel needs assessment | | needs for all vision education professionals not yet conducted; SDE continues to monitor teacher hiring patterns; BESB estimating required teacher resources based on recently developed caseload formula |
| SDE in consultation with BESB establish, monitor and report on outcome measures for vision education services; include outcome measures in SDE annual special education report | Partial | Monitoring council (P.A. 03-217) which includes BESB and SDE representatives mandated to establish and report on benchmarks for BESB activities including education services |
| BESB complete strategic plan, which include above outcome measures, by 7/01/01 and update annually | Partial | In addition to establishing and monitoring benchmarks for BESB management, operations, and services, council created under P.A. 03-217 required to review mission and duties and report legislative proposals and structural changes |
| BESB with assistance of SDE arrange for NASDSE training seminar on improving vision education services | Full | 2-day NASDSE program held by SDE and BESB in Nov. 2001; follow-up activities planned |

Factors Impacting Prison Overcrowding (2000)

Despite a steady, 12-year decrease in crime and arrest rates, Connecticut has struggled with the persistent growth of the inmate population and a high rate of recidivism among convicted offenders under supervision. The primary solution to prior prison overcrowding problems had been to add prison beds by building new facilities or expanding others. During the 1990s, almost 10,000 new beds costing well over \$1 billion were added, but less than five years after the comprehensive construction project was completed the Department of Correction (DOC) was again operating at capacity. The department has renewed its contract to transferred

500 inmates to out-of-state prisons and is completing a 600-bed prison expansion project to relieve the current overcrowding crisis.

In 2000, the program review committee conducted a study to identify the main factors causing the prison overcrowding problem and the options available to the legislative, executive, and judicial branches to control the growth of the inmate population. Specifically, the study examined the state's criminal sentencing laws and significant sentencing reforms enacted since the 1970s, the capacity of the correction system and community-based supervision and service network, and the offender population and sentencing trends.

Prison overcrowding has a cyclical pattern in Connecticut -- reaching a crisis point about every 10 years. The committee report showed most of the causes of prison overcrowding occurred outside the administration and jurisdiction of the Department of Correction and these complex issues and problems cannot be addressed by a single state agency. Specifically, the program review committee identified five main causes of prison overcrowding.

- Despite the decrease in arrest and crime rates, the number of offenders in prison or jail continued to increase due to the “war on drugs”, increased funding for police, increased role of victims and victim advocacy groups in the court process, added bed capacity in the correctional system, recidivism and technical violations of probation and parole, harsher penalties for certain types of crimes, and narrowed eligibility for community release and alternative sanction options.
- Convicted inmates were remaining incarcerated for a greater portion of their court-imposed prison sentences as a result of the shift from an indeterminate to a determinate sentencing structure, elimination of “good time”, creation of time-served standards for parole eligibility, and the enactment of several “truth in sentencing” initiatives.
- The aggressive “tough on crime” approach supported by the legislature and adopted by the executive and judicial branches allows the criminal justice system to narrow its use of discretion and take a more conservative and less controversial approach to punishment.
- A lack of prison beds, especially high security and pre-trial beds, forced DOC to operate at capacity.
- Poor planning and a lack of an accurate population projection and offender needs analysis contributed to the cycle of overcrowding and hampered DOC's efforts to adequately plan for new or expanded facilities.

In reviewing options available to manage and control growth of the inmate population, the committee found Connecticut cannot build its way out of a prison overcrowding crisis. However, prison expansion is one model to address prison overcrowding. This strategy has been Connecticut's primary response to prison overcrowding over the past 20 years. It is the simplest

but least effective and most expensive approach. Services in this model are concentrated primarily on the small percent (25 percent) of the offender population in prison.

The second option requires establishing and funding a system of graduated sanctions to provide punishment, supervision, treatment, rehabilitation, victim restitution, and public safety. For the purposes of the study, this model is referred to as community corrections. It is a multi-agency approach and also includes a system of prisons and jails. Services in this model are concentrated primarily on the majority (75 percent) of offenders supervised in the community who pose the most immediate risk to public safety.

In response to these findings, the committee adopted a series of recommendations to implement the community corrections strategy. The recommendations were aimed at redefining and reinvesting in a comprehensive community corrections model to control the growth of the inmate population, reduce recidivism, and ensure the public's safety.

Legislation/Compliance. Legislation containing the committee's proposals was introduced but did not pass during the 2001 or 2002 regular sessions of the General Assembly. The table below sets out the specific recommendations.

The only related legislation (P.A. 01-99) that did pass during the 2001 session allows judges to impose less than the statutory mandatory minimum sentence for certain non-violent drug crimes. This issue was included in the program review committee's report.

| Summary of Compliance with Committee Recommendations | | |
|--|--|---|
| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
| Establish in statute a state policy for community corrections. | None | Bill did not pass. |
| Create a sentencing task force to evaluate the felony sentencing process. | None | Bill did not pass. |
| Require the Offices of Fiscal Analysis and Legislative Research to conduct a prison impact assessment for any legislation that may modify or impact the rate of prosecution, rate or length of incarceration, computation of time served, or affect the number of offenders incarcerated, paroled, or placed on probation. | None | Bill did not pass. |
| Require the Office of Policy and Management's Justice Planning Division to comply with its statutory mandate and conduct a systemwide study of recidivism. | None | Bill did not pass. But note: PRI conducted a study of recidivism in 2001 |
| | | |

| Summary of Compliance with Committee Recommendations | | |
|--|--|--------------------|
| Recommendation | Status After Three Years (2001, 2002, 2003) | Comment |
| Require the Prison and Jail Overcrowding Commission to meet regularly, add certain members of the criminal justice system to the commission, and established a permanent Community Corrections Subcommittee to the commission. | None | Bill did not pass. |
| Reinvest sufficient resources in the community corrections strategy including additional probation and parole officers and an increase in available treatment, training, and rehabilitation services. | None | Bill did not pass. |
| Require the judicial branch to develop a sentence worksheet as part of the pre-sentence investigation report and to establish sentencing teams at all criminal court locations to maximize the use of graduated and alternative sanctions. | None | Bill did not pass. |
| Redefine in statute a “split” sentence and special parole. | None | Bill did not pass. |
| Make technical amendments to certain parole laws. | None | Bill did not pass. |
| Establish a statutory reassessment parole hearing process for eligible inmates who served 75 percent of their sentence but were not discretionarily paroled. | None | Bill did not pass. |
| Eliminate the 15-member, part-time parole board and replace it with a three-member, full-time professional board and an executive director. | None | Bill did not pass. |
| Require DOC conduct a feasibility study on establishing a revocation center for parole and probation violators. | None | Bill did not pass. |
| Shift responsibility for providing mental health and substance abuse services to offenders from criminal justice agencies to the Department of Mental Health and Addiction Services. | None | Bill did not pass. |

Judicial Selection (2000)

The Connecticut Constitution provides that all judges of the superior, appellate, and supreme courts are appointed by the General Assembly upon nomination by the governor. Each judge is appointed for an eight-year term, and must be renominated and reappointed for additional terms or movement to a higher court. In 1986, the Judicial Selection Commission was established by constitutional amendment to recommend both new candidates and incumbent judges for nomination by the governor. The governor may only nominate persons from the commission lists.

In April 2000, the Legislative Program Review and Investigations Committee approved a study of the judicial selection process, specifically focusing on how the legislature carries out its role in the system. The study was prompted in part by the nomination of an incumbent judge for reappointment during the 2000 legislative session, which was the source of considerable controversy.

The controversy originated from a criminal trial the judge presided over in 1995, in which the defendant was acquitted of murder and manslaughter by a jury. Opponents to the judge's reappointment charged that certain decisions he made during the course of the trial, as well as statements he made related to the victim's family's contact with the media, called for the rejection of his reappointment.

In the course of considering the judge's nomination, which was ultimately successful, much debate was generated about appropriate standards of review for the legislature in carrying out its constitutional responsibility for reappointing sitting judges. Concern was raised about whether legislators were overly focusing on one case and substituting their judgments for that of the judge, to the detriment of judicial independence. A central question of this review, necessarily intertwined with the issue of standards, was the adequacy of information available to the legislature to perform its appointment and reappointment function.

Legislation/Compliance. Ultimately, the committee made findings and recommendations in three areas: 1) legislative standards; 2) information available to the legislature; and 3) the time frame for legislative action. All the recommendations were raised in a bill (HB 6662) during the 2001 legislative session, but the bill was not enacted.

| Summary of Compliance with Committee Recommendations | | |
|--|---------------|-------------------|
| Recommendation | Status | Comment |
| The committee recommends that C.G.S. Sec. 2-40(a), related to the Judiciary Committee, be amended so that for nominations of incumbent judges for reappointment to the same court, the judiciary committee shall consider the legal ability, competence, integrity, character, and temperament of such judges, and | None | Bill did not pass |

| Summary of Compliance with Committee Recommendations | | |
|--|---------------|-------------------|
| Recommendation | Status | Comment |
| <p>any other relevant information concerning such judges. the mere making of unpopular or erroneous decisions shall not be a ground to reject a nominee for reappointment.</p> <p>The same language is recommended to amend the statute addressing the House and Senate votes on judicial nominations via amendment to C.G.S. Sec. 2-42.</p> | | |
| <p>The program review committee recommends the Judicial Department use an independent entity to administer at least the lawyer survey part of the judicial evaluation program, which shall supply the Judicial Department with statistical compilations on a quarterly basis. Also, the Judicial Department, with the Judicial Performance Advisory Panel, shall continue to aggressively search for other ways to improve the judicial evaluation program, including but not limited to seeking input from other persons familiar with judicial performance such as court personnel. The Judicial Department shall report annually on January 15 to the Judiciary Committee and the Program Review and Investigations Committee about steps taken to improve the program.</p> | None | Bill did not pass |
| <p>The program review committee recommends the statutes be amended to allow, upon the request of the Judiciary Committee in regard to a particular case or controversy related to an incumbent judge nominated for reappointment, the Judicial Selection Commission to inform the committee whether the commission considered the case or controversy and if so, to explain why the specific case or controversy did not cause it to reject the incumbent judge for recommendation</p> | None | Bill did not pass |

| Summary of Compliance with Committee Recommendations | | |
|---|---------------|-------------------|
| Recommendation | Status | Comment |
| for reappointment to the same court. In so doing, the commission shall not identify any confidential sources of information. | | |
| The program review committee recommends the Judicial Selection Commission as part of its review process publish notices soliciting input from the public about judges in newspapers of general circulation. | None | |
| The program review committee recommends the statutes be amended to require the governor to make his or her judicial renominations sooner than currently required. | None | Bill did not pass |

Regional Vocational-Technical School System (December 2000)

The Connecticut Regional Vocational-Technical School System is a state-run network of 17 schools offering academic instruction and trade experience. The schools primarily serve secondary students, providing them with a comprehensive high school education in conjunction with training in one of nearly two dozen specific trades. The primary focus of the program review committee's recommendations was on steps the vocational-technical (v-t) school system could take to increase its visibility and make the schools more desirable.

Legislation/Compliance. In 2001, key recommendations from the committee's report were incorporated in Public Act 01-173. Previous compliance reports described the steps the v-t schools took to increase outreach to the business community and representatives of the towns that send students to v-t schools. The major activities remaining concern a multi-year study of admissions criteria and the development of achievement goals. The table below summarizes those recommendations and the compliance efforts of the State Department of Education (SDE) to date.

| Summary of Compliance with Committee Recommendations | | |
|--|--|---|
| Recommendation | Status After Three Years (2001,2002,2003) | Comments |
| SDE shall conduct a study of the relationship between admissions scores and performance within the v-t school system and report at specific intervals on the progress and results of the study | Activities required through 2006 -- initial deadlines met; most recently required report delayed to obtain better data | P.A. 01-173 required recommended study with slightly different deadlines. SDE's first compliance report (January 2002) provided enrollment data and indicated measures to be used as predictors of success - - grade point average, class rank, withdrawal rates, Connecticut Academic Performance Test results, National Occupational Competency Testing Institute job readiness assessments, and post graduation survey. The second report (December 2002) described research activities, technological challenges related to the study database, initial analysis of the data, and next steps in the project. During 2003, SDE identified additional problems with the quality of the data to be used for required analyses, and steps were taken to "clean up" existing databases and improve the collection of new information. In September 2003, SDE contacted program review about these problems and the need for more time to complete the report due January 1, 2004. RVTSS expected to provide that report to the V-T School Committee in April 2004, the state Board of Education in May, and the legislature in June. |
| RVTSS should investigate opportunities to use faculty and graduate students from higher education institutions in Connecticut to conduct research projects that analyze existing v-t school system data and collect new data where appropriate | Full -- but ongoing activities required | Per 1/2002 compliance response, RVTSS contacted state universities seeking interns -- one individual provided 21 hours per week of database development; discussions were underway to obtain at least two more interns. A new staff position in the RVTSS central office was assigned to the admissions study and other student data studies. |
| RVTSS, State Board of Education, and SDE should work together to define specific achievement goals | Partial | P.A. 01-173 required the State Board of Education to establish achievement goals at each grade level and identify quantifiable measures for evaluating the performance of |

| Summary of Compliance with Committee Recommendations | | |
|--|--|--|
| Recommendation | Status After Three Years (2001,2002,2003) | Comments |
| for each secondary v-t school grade, which will be the basis for allocating additional resources if needed, and identify quantifiable measures to create performance index for each v-t school | | <p>each v-t school.</p> <p>In June 2003, the state board approved "Vocational-Technical School System Specific Student Achievement Goals." The 178-page document identified targets by grade level for 17 academic areas and 16 trade/technology areas. (Another 10 trade areas were scheduled to be completed early in 2004.) The goals are to be reviewed periodically as part of the curriculum revision process.</p> <p>In December 2003, the state board approved the RVTSS "Annual Plan for School Improvement 2003-2004," which identified measurable goals in five areas: Teaching and Learning; Professional Development; Technology; School Culture; and Fiscal and Facilities.</p> <p>Summary information by individual school is presented, and the measures are to be used to determine the degree to which the district is achieving each goal.</p> |
| RVTSS should make outreach to the business community a top priority and establish a position in its central office specifically to carry out this task | Full -- but ongoing activities required | <p>P.A. 01-173 requires school directors to meet with members of the business community, but no new position created.</p> <p>RVTSS has taken a number of steps to increase awareness of the v-t schools, including weekly programming on 23 cable channels, development of web pages linked to the Connecticut Business and Industry Association (CBIA) and the Department of Labor, meetings with citizens and trade organizations, and joint newsletters with CBIA. In addition, each v-t school director is to submit a written plan for assessing workforce needs, and half of a central office position has been earmarked for business and industry development efforts.</p> |

| Summary of Compliance with Committee Recommendations | | |
|--|--|---|
| Recommendation | Status After Three Years (2001,2002,2003) | Comments |
| V-t system administrators and members of the Vocational-Technical School Committee should periodically invite local legislators to tour the v-t schools in their districts and become more familiar with v-t school programs | Partial | Per 1/2002 compliance response, legislative breakfast meetings were held at several schools, and legislators serve as members of some Citizen Advisory Committees. |
| The central administration of the v-t school system should monitor the composition and meeting schedules of each v-t school's Citizens Consulting Committees | Full -- but ongoing activities required | Per 2002 compliance response, RVTSS assistant superintendents were attending at least one Citizen Advisory Committee meeting for each of their assigned v-t schools. |
| Each regional vocational-technical school director should meet annually with representatives of all of the towns that send students to the v-t school | Partial | RVTSS directors sit as members of area superintendent organizations where items of concern are addressed monthly, and area superintendents are members of v-t school Citizen Consulting Committees. |
| Each regional v-t school director should meet quarterly with representatives of the towns that send students comprising more than 5 percent of the total secondary enrollment at the v-t school to work on developing programs that can be jointly sponsored | | See above. |

Staffing In Nursing Homes (2000)

The Legislative Program Review and Investigations Committee voted to study staffing in nursing homes in March 2000.¹ The study focused on whether the current minimum nursing

¹ Nursing staff is defined as registered nurses (RNs), licensed practical nurses (LPNs), and nurse aides.

staff-to-resident regulations were adequate, how actual staffing levels relate to the minimum standards, and how the Department of Public Health (DPH) monitors the adequacy of nursing staff. The impact of the 1999 legislative Wage, Benefit, and Staffing Enhancement Program was also included in the scope of the study.

The committee found Connecticut's current nursing staff ratio requirements, delineated in regulation, confusing, administratively complicated, and outdated. The current regulations were established in 1981 and DPH began revising them in 1995. However, the committee found almost six years later they still had not been submitted to the Regulation Review Committee. Furthermore, based on the department's compliance response submitted in January 2002, the department has not proceeded with the proposed regulations, noting that the current regulations already require homes provide sufficient staffing.

During the committee's study, the Health Care Financing Administration (HCFA) completed the first phase of a comprehensive study of nursing home staffing and issued preliminary findings regarding minimum nursing staff ratios. The committee found the HCFA nursing staff-to-resident ratios based on the most comprehensive and defensible research to date and therefore, recommended increasing the minimum nursing staff ratios from 1.9 hours per resident day to 2.75 hours per resident day with a two-year phase-in period.

In terms of the inspection process, the committee found few nursing facilities are issued deficiencies by Connecticut's Department of Public Health for nursing staff inadequacies during inspections. The reason for this, the committee found, is because there is a lack of federal and state guidance to inspectors on how to evaluate the adequacy of nursing staffing levels based on the needs of residents. The department noted in its compliance response that more facilities have been issued a deficiency for insufficient staffing, with 13 issued between October 2000 and December 2001, compared to nine in FY 00 and three in FY 99.

Legislation/Compliance. Based on its findings, the committee proposed two administrative and two legislative recommendations, which were raised in SB 1173. The bill established a methodology for DPH inspectors to use to assess nursing staff adequacy during an inspection in relation to the level of care needed by residents. It increased the current regulatory minimum nursing staff-per-resident-day ratio from 1.9 hours per resident day to 2.75 hours per resident day and established these ratios in statute. Finally, it required nursing homes to report to DPH if they did not meet the minimum ratios, and provided for enforcement action by DPH if the commissioner found a pattern of noncompliance. No action was taken on the committee's bill by the Public Health Committee. Another bill, HB 5668, which also contained all of the committee's recommendations, was left tabled for the House Calendar.

Although neither bill ultimately was enacted, P.A. 01-2, June Special Session provides for the DSS commissioner, within available appropriations for FY 03 and 04, to provide rate relief to enhance staffing in nursing homes to the levels recommended by the program review committee. The legislature appropriated funding of \$2 million for FY 03 for implementation, but it has yet to be allotted.

Administrative recommendations required DPH track the date of nursing home inspections to ensure randomness. The Department of Social Services was also required to amend the annual cost reports submitted by nursing facilities so that salaries and wages, and hours are reported separately for nurses providing direct resident care from those performing administrative functions.

| Summary of Compliance with Committee Recommendations | | |
|---|--|---|
| Recommendation | Status After Three Years 2001, 2002, 2003 | Agency Response |
| DPH track the date and location of each facility's federal survey and state licensure inspections to ensure more randomness in the number of days between cycles, with no survey or state licensure inspection occurring within 15 days before or after the previous survey or inspection date. | Full | DPH noted it is in full compliance with federal scheduling requirements; however, the department is tracking the date and location of inspections to implement PRI's recommendation. From October 1, 2001 through December 31, 2002, only 1 percent (4 of the 327 surveys completed) of surveys occurred within 15 days of the previous inspection. |
| The Department of Social Services require salaries and wages, and hours for RN and LPNs involved in providing direct care to residents shall be reported separately from RNs and LPNs involved in administrative functions. | Full | |
| Establish a methodology for DPH inspectors to use to assess nursing staff adequacy during an inspection in relation to the level of care needed by residents | None | Bill did not pass (but see narrative about other legislation) |
| Require nursing homes to report to DPH if they do not meet the minimum ratios, and provides for enforcement action by DPH if the commissioner finds a pattern of noncompliance. | None | Bill did not pass |

APPENDIX A

STATUTORY AUTHORITY

LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE STATUTORY AUTHORITY

Committee Authority and Responsibilities: C.G.S. Sections 2-53d through 2-53j

Sec. 2-53d. "Program review" and "investigation" defined. As used in sections 2-53e to 2-53j, inclusive:

(1) "Program review" means an examination of state government programs and their administration to ascertain whether such programs are effective, continue to serve their intended purposes, are conducted in an efficient and effective manner, or require modification or elimination; and

(2) "Investigation" means the investigation of any matter which is referred to the Legislative Program Review and Investigations Committee as provided in section 2-53g.

Sec. 2-53e. Legislative Program Review and Investigations Committee. There is hereby created a Legislative Program Review and Investigations Committee which shall be a permanent standing committee of the General Assembly, consisting of six members of the Senate, three appointed by the president pro tempore and three appointed by the minority leader, and six members of the House of Representatives, three appointed by the speaker of the house and three appointed by the minority leader. Members shall serve for a term of two years from date of appointment. The appointments shall be made at the beginning of each regular session of the General Assembly in the odd-numbered year. The terms of all members appointed to the committee shall end with the termination of each member's term or holding of office, whichever occurs first. Vacancies shall be filled in the same manner as the original appointments. The committee shall select cochairpersons and such other officers as it

may deem necessary from among its membership. A majority of the membership shall constitute a quorum and all actions of the committee shall require the affirmative vote of a majority of the full committee membership. The cochairpersons and ranking minority members of the joint standing committee requesting an investigation shall serve as nonvoting, ex-officio members of the Legislative Program Review and Investigations Committee during the course of such investigation.

Sec. 2-53f. Meetings of committee. The Legislative Program Review and Investigations Committee shall meet as often as may be necessary, during legislative sessions and during the periods between sessions, to perform its duties and functions.

Sec. 2-53g. Duties. (a) The Legislative Program Review and Investigations Committee shall: (1) Direct its staff and other legislative staff available to the committee to conduct program reviews and investigations to assist the general assembly in the proper discharge of its duties; (2) establish policies and procedures regarding the printing, reproduction and distribution of its reports; (3) review staff reports submitted to the committee and, when necessary, confer with representatives of the state departments and agencies reviewed in order to obtain full and complete information in regard to programs, other activities and operations of the state, and may request and shall be given access to and copies of, by all public officers, departments, agencies and authorities of the state and its political subdivisions, such public records, data and other information and given such assistance as the committee determines it needs to fulfill its duties. Any statutory requirements of confidentiality regarding such records, data, and other information, including penalties for violating such requirements, shall apply to the committee, its staff, and its other

authorized representatives in the same manner and to the same extent as such requirements and penalties apply to any public officer, department, agency or authority of the state or its political subdivisions. The committee shall act on staff reports and recommend in its report, or propose, in the form of a raised committee bill, such legislation as may be necessary to modify current operations and agency practices; (4) consider and act on requests by legislators, legislative committees, elected officials of state government and state department and agency heads for program reviews. The request shall be submitted in writing to the Program Review and Investigations Committee and shall state reasons to support the request. The decision of the committee to grant or deny such a request shall be final; (5) conduct investigations requested by joint resolution of the general assembly, or, when the general assembly is not in session, (A) requested by a joint standing committee of the general assembly or initiated by a majority vote of the Program Review and Investigations Committee and approved by the Joint Committee on Legislative Management, or (B) requested by the Joint Standing Committee on Legislative Management. In the event two or more investigations are requested, the order of priority shall be determined by the Legislative Program Review and Investigations Committee; (6) retain, within available appropriations, the services of consultants, technical assistants, research and other personnel necessary to assist in the conduct of program reviews and investigations; (7) originate, and report to the general assembly, any bill it deems necessary concerning a program, department or other matter under review or investigation by the committee, in the same manner as is prescribed by rule for joint standing committees of the general assembly; and (8) review audit reports after issuance by the auditors of public accounts, evaluate and sponsor new or revised legislation based on audit findings, provide means to determine

compliance with audit recommendations, and receive facts concerning any unauthorized, illegal, irregular or unsafe handling or expenditures of state funds under the provisions of section 2-90.

(b) The identity of a public employee providing information to the committee shall not be disclosed. In the course of an investigation, all information, records of interviews, reports, statements, notes, memoranda or other data in the custody of or obtained or prepared by the Legislative Program Review and Investigations Committee or its staff shall not be subject to the provisions of section 1-210 until the investigation is completed.

Sec. 2-53h. Corrective action by agency officials. Report to General Assembly. (a) In any instance in which a program review cites inadequate operating or administrative system controls or procedures, inaccuracies, waste, extravagance, unauthorized or unintended activities or programs, or other deficiencies, the head of the state department or agency or the appropriate program officer or official to which the report pertained shall take the necessary corrective actions and when the committee deems the action taken to be not suitable, the committee shall report the matter to the General Assembly together with its recommendations.

(b) The committee shall report the results of each investigation together with its recommendations for any further action to the General Assembly.

Sec. 2-53i. Studies by committee. The Legislative Program Review and Investigations Committee may, at any time, take under study any matter within the scope of a completed or partially completed staff report then being conducted or may at its

discretion study and consider any matter relative to program activities of state departments and agencies.

Sec. 2-53j. Reports. The Legislative Program Review and Investigations Committee shall report annually to the General Assembly on or before February fifteenth and may, from time to time, make additional reports.

***Subpoena Authority:
C.G.S. Sections 2-46 through 2-48***

Sec. 2-46. Investigations by the General Assembly and Legislative Program Review and Investigations Committee; procedure. Witness' rights.

(a) The president of the Senate, the speaker of the House of Representatives, or a chairman of the whole, or of any committee of either house, of the General Assembly, or either of the chairmen of the Legislative Program Review and Investigations Committee shall have the power to compel the attendance and testimony of witnesses by subpoena and *capias* issued by any of them, require the production of any necessary books, papers or other documents and administer oaths to witnesses in any case under their examination including any program review or investigation, as defined in section 2-53d. Any person, summoned as a witness by the authority of either house of the General Assembly or said Legislative Program Review and Investigations Committee to give testimony or to produce books, papers or other documents upon any matter under inquiry before either house, or any committee of either house, of the General Assembly, or a joint committee of both houses, who willfully makes default or, having appeared, refuses to be sworn or to answer any question pertinent to the question under inquiry, shall

be fined not more than one thousand dollars nor less than one hundred dollars and imprisoned for not less than one month nor more than twelve months.

(b) Any individual who is subpoenaed to appear and testify before a committee of the General Assembly or the Legislative Program Review and Investigations Committee shall have the right to review a copy of the transcript of his or her testimony and a reasonable amount of time to question its accuracy prior to the public release of said transcript or its permanent filing.

Sec. 2-47. Witness not privileged. No witness shall be privileged to refuse to testify to any fact, or to produce any paper, respecting which he is examined by either house of the General Assembly, or by any committee of either house or any joint committee of both houses, or by the Legislative Program Review and Investigations Committee in any program review or investigation, as defined in section 2-53d, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

Sec. 2-48. Prosecution of witness. Whenever a witness summoned fails to testify and the fact is reported to either house, the president of the Senate or the speaker of the House, as the case may be, shall certify to the fact under the seal of the state to the state's attorney for the judicial district of Hartford, who shall prosecute therefore.

See also Connecticut Sunset Law at C.G.S. Sections 2c-1 through 2c-12: PRI responsible for conducting performance audits for entities scheduled for termination

APPENDIX B

***COMMITTEE MEMBERSHIP
1973 TO PRESENT***

| Senate Members | 1973-1974 | House Members |
|--|------------------|---|
| David Odegard, <i>Co-chair</i> J. Edward Caldwell Thomas Carruthers Joseph Lieberman Romeo G. Petroni William E. Strada, Jr. | | John Groppo, <i>Co-chair</i> Morton Blumenthal Robert J. Carragher Albert Cretella George W. Hannon, Jr. Astrid T. Hanzalek |
| Senate Members | 1975-1976 | House Members |
| George W. Hannon, Jr., <i>Co-chair</i> Lawrence J. DeNardis George L. Gunther J. Martin Hennessey Lewis B. Rome Richard F. Schneller | | Ernest C. Burnham, Jr., <i>Co-chair</i> Robert J. Carragher Astrid T. Hanzalek Joan R. Kemler John G. Matthew Timothy J. Moynihan |
| Senate Members | 1977-1978 | House Members |
| Lawrence J. DeNardis, <i>Co-chair</i> George W. Hannon, Jr. Nancy L. Johnson Lewis B. Rome Richard F. Schneller William E. Strada, Jr. | | Joan R. Kemler, <i>Co-chair</i> Robert J. Carragher Astrid T. Hanzalek Timothy J. Moynihan Clyde O. Sayre Christopher H. Shays |
| Senate Members | 1979-1980 | House Members |
| William E. Curry, Jr., <i>Co-chair</i> Wayne A. Baker Sanford Cloud, Jr. Nancy L. Johnson Michael L. Morano Philip S. Robertson | | Astrid T. Hanzalek, <i>Co-chair</i> Joseph H. Harper, Jr. Dorothy McCluskey Richard E. Varis Elinor F. Wilber Muriel Yacavone |

| Senate Members | 1981-1982 | House Members |
|--|------------------|---|
| <p>Nancy L. Johnson, <i>Co-chair</i> John C. Daniels M. Adela Eads Margaret E. Morton Amelia P. Mustone Carl A. Zinsser</p> | | <p>Joseph H. Harper, Jr., <i>Co-chair</i> William J. Cibes J. Peter Fuscas, Jr. Carol A. Herskowitz Dorothy K. Osler William J. Scully, Jr.</p> |
| Senate Members | 1983-1984 | House Members |
| <p>Kevin P. Johnston,* <i>Co-chair</i> John C. Daniels M. Adela Eads Fred H. Lovegrove, Jr. Richard F. Schneller Carl A. Zinsser *Preceded by Thom Serrani</p> | | <p>Dorothy K. Osler, <i>Co-chair</i> Maureen Murphy Baronian Abraham L. Giles Vincent A. Roberti William J. Scully, Jr. David W. Smith</p> |
| Senate Members | 1985-1986 | House Members |
| <p>Richard S. Eaton,* <i>Co-chair</i> Frank D. Barrows John C. Daniels Joseph C. Markley Thomas Scott Anthony D. Truglia *Preceded by Fred H. Lovegrove, Jr.</p> | | <p>Abraham L. Giles, <i>Co-chair</i> Carleton J. Benson Richard Foley, Jr. Dorothy K. Osler William J. Scully, Jr. Irving J. Stolberg</p> |
| Senate Members | 1987-1988 | House Members |
| <p>John Atkin, <i>Co-chair</i> Richard Blumenthal Judith G. Freedman Kevin Johnston Fred H. Lovegrove, Jr. Thomas Scott</p> | | <p>Robert D. Bowden,* <i>Co-chair</i> Teresalee Bertinuson Richard Foley, Jr. Jay B. Levin Richard T. Mulready William L. Wollenberg *Preceded by Christopher Shays</p> |

| Senate Members | 1989-1990 | House Members |
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| Fred H. Lovegrove, Jr., <i>Co-chair</i> John Atkin M. Adela Eads Judith G. Freedman Kevin P. Johnston Mark H. Powers | | Jay B. Levin, <i>Co-chair</i> Teresalee Bertinuson Robert D. Bowden Brian J. Flaherty Dean P. Markham Kevin F. Rennie |
| Senate Members | 1991-1992 | House Members |
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| Senate Members | 1993-1994 | House Members |
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| Senate Members | 1995-1996 | House Members |
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| Senate Members | 1997-1998 | House Members |
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| Fred H. Lovegrove <i>Co-chair</i> Eric D. Coleman Eileen M. Daily George C. Jepsen William H. Nickerson Win Smith | | Michael J. Jarjura <i>Co-chair</i> Kevin M. DelGobbo Brian E. Mattiello Ellen Scalettar Peter F. Villano Julia B. Wasserman |
| Senate Members | 1999-2000 | House Members |
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| Senate Members | 2001-2002 | House Members |
| Judith G. Freedman <i>Co-chair</i> Eric D. Coleman Joseph J. Crisco John W. Fonfara John McKinney Win Smith, Jr. | | Jack Malone <i>Co-chair</i> John A. Harkins Robert Heagney Nancy E. Kerensky Toni E. Walker Julia B. Wasserman |
| Senate Members | 2003-2004 | House Members |
| Joseph J. Crisco, Jr. <i>Co-chair</i> John W. Fonfara Robert L. Genuario Toni Nathaniel Harp Andrew W. Roraback Win Smith, Jr. | | Julia B. Wasserman <i>Co-chair</i> Bob Congdon John W. Hetherington Michael P. Lawlor Roger B. Michele J. Brendan Sharkey |

APPENDIX C

COMMITTEE STAFF

Legislative Program Review and Investigations Committee Staff

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J.D. Washington University School of Law; B.A. (Government) Georgetown University; Special Assistant, U.S. Senator John C. Danforth; Law Clerk, Land of Lincoln Legal Assistance, Alton, IL; Intern, Connecticut General Assembly; Member, Connecticut Bar.

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Scott M. Simoneau, Principal Analyst

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Bonnine T. Labbadia, Executive Secretary

A. S. (Legal Secretarial) Middlesex Community College. Former work experience includes: Legal Secretary, Middletown, CT; and Medical Secretary, Middletown, CT.

APPENDIX D

COMMITTEE PUBLICATIONS
AS OF FEBRUARY 2005

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| <p>Absentee Voting in Connecticut (1986) Affirmative Action in State Government (1986) Air Management, Bureau of, Department of Environmental Protection (1989)</p> <p>Bail Services in Connecticut (2003) Banking, Department of (1992) Binding Arbitration: State Employee Contract (1995) Binding Arbitration for Teachers, An Evaluation of (1989) Birth to Three Program: Early Intervention Services (1995) Board of Education and Services for the Blind Vending Machine Operations (2002) Bonding and Capital Budgeting in Connecticut (1977) Bradley International Airport (2000) Brownfields in Connecticut (1998) Budget Process in Connecticut (2003) Building Maintenance, Department of Administrative Services (1986)</p> <p>Child Day Care in Connecticut (1981) Child Day Care Services in Connecticut (1995) Child Support Enforcement System Performance (1993) Children and Families, Department of (1999) Children and Youth Services, Department of : A Program Review (1978) Children and Youth Services, Department of : Child Protective Services (1990) Civil Rights Statutes, Compliance With Selected, by the Departments of Transportation, Education and Labor: An Investigation (1977) Commission on Human Rights and Opportunities (1999) Community Colleges in the State of Connecticut (1974) Connecticut Alcohol and Drug Abuse Commission (1984) Connecticut Assistance and Medical Aid Program for the Disabled: Phasing Out CAMAD (1978) Connecticut Resources Recovery Authority (CRRRA) and Other Quasi-Public Agencies (2002) Connecticut Siting Council (2000) Consolidation of Rehabilitative Services (2003) Consultants, Use of Professional, by State Agencies (1988) Consumer Representation in Public Utility Matters (1996)</p> | <p>Contract Management, State (1995) Contract Processes, Department of Social Services (1996) Correction, Department of: Management Services (1993) Correction, Department of: Inmate Privileges and Programs (1991) Correction Officer Staffing (2003) Criminal Justice System, An Investigation of Selected Aspects of the (1988)</p> <p>Dental Commission, State, Performance Evaluation of (1990)</p> <p>Economic Development (1993) Economic Development Considerations in Transportation Planning (2000) Educational Services for Children Who Are Blind or Visually Impaired (2000) Elderly/Disabled Housing Projects, Mixing Populations in State (2004) Elderly Home Care in Connecticut (1981) Elderly, Services for, to Support Daily Living (1996) Elderly Transportation Services (1998) Emergency Medical Services, Office of (1997) Emergency Medical Services, Regulation of: Phase One (May 1999) Emergency Medical Services, Regulation of: Phase Two (December 1999) Energy Availability in Connecticut (2001) Energy Management in State Buildings (1981) Energy Management by State Government (2002) Enterprise Zones (1997) Entitlement Programs (1992) Environmental Protection, Department of: An Investigation (1976) Environmental Protection, Department of: Enforcement Policy and Practices (1998)</p> <p>Family Care Homes for the Mentally Ill (1991) Family Day Care Homes in Connecticut (1980) Fire and Codes Services in Connecticut (1981) Foster Care, Department of Children and Families (1995)</p> <p>Hazardous Waste Management in Connecticut (1987) Health Care Cost Containment (1993) Higher Education in Connecticut, Strengthening (1977) Higher Education: Performance Monitoring (1993)</p> |
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| <p>Housing Payment Practices at the University of Connecticut, An Evaluation of (1989) Housing Programs, Major Publicly Assisted (1997) Human Resources, Department of (1985) Human Services Agencies, Consolidation of (1991)</p> <p>Income Maintenance, Department of: Error Detection and Prevention (1984) Income Maintenance, Department of: General Assistance Program (1984) Income Maintenance, Department of: Management (1984) Insurance Regulation in Connecticut (1987) Investment Practices of the State Treasurer, Performance Audit of the (1989)</p> <p>Job Training Programs, State Sponsored (1996) Judicial Review Council (1992) Judicial Selection (2000) Juvenile Justice in Connecticut (1988) Juvenile Justice in Connecticut (1978)</p> <p>Land Acquisition by the State of Connecticut (1973) Lead Abatement, Residential (1999) Legalized Gambling, Regulation and Operation of (1992) Lemon Law, Connecticut (1988) Liquor Permits, State (2004)</p> <p>Managed Care, Regulation and Oversight of (1996) Mediation and Arbitration, State Board of (1997) Medicaid Costs in Connecticut, Containing (1976) Medicaid Eligibility Determination Process (2004) Medicaid Health Services in Connecticut (1994) Medicaid Rate Setting for Nursing Homes (2001) Medical Malpractice Insurance Costs (2003) Mental Health in Connecticut: Services in Transition (1979) Mental Retardation, Department of: Client Health and Safety (2002) Mental Retardation, Management Audit of the Department of (1989) Motor Vehicles, Department of: Branch Operations (1985) Motor Vehicles, Department of: Dealers and Repairers (1985) Motor Vehicles, Department of: Management and Central Operations (1985) Motor Vehicles, Department of: Summary (1985)</p> | <p>Motor Vehicles, Department of: Title Operations (1985) Motor Vehicles, Department of, Review of Summary Process Final Report (1994) Motor Vehicle Related Complaint Processing Systems (1988) Municipal Police Training Council (1994)</p> <p>Nursing Homes, Staffing in (2000)</p> <p>Office of Victim Services (1998) Open Space Acquisition (1998)</p> <p>Parole, Board of, and Parole Services (1992) Performance Measurement (1999) Performance Monitoring in State Government (1992) Personal Service Agreements (1992) Personnel Services in State Government (1991) Pharmacy Benefits and Regulation (2003) Pharmacy Regulation in Connecticut (2004) Preparedness For Public Health Emergencies (2004) Pre-Trial Diversion and Alternative Sanctions (2004) Prevailing Wage Laws in Connecticut (1996) Prison Overcrowding, Factors Impacting (2000) Privacy in State Government (2001) Properties Review Board, State: Performance Audit (1988) Protective Services, State (1991) Psychiatric Hospital Services for Children and Adolescents (1986) Public Health, Department of: Consultative Services to Child Care Providers (2001) Public/Private Provision of Selected Services (1993) Public School Finance System, Connecticut's (2001) Public Utility Control, Department of (1984) Public Works, Department of: Facilities Management (2000) Public Works, Department of: Space Acquisition and Disposition (2001) Purchasing, Bureau of, Department of Administrative Services (1989)</p> <p>Quasi-Public Agencies in Connecticut (1987)</p> <p>Recidivism in Connecticut (2001) Regional School District Governance (2002) Regional Vocational-Technical School System (2000)</p> |
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| <p>Resources Recovery Facility Determination-of-Need Process, Department of Environmental Protection (1994)</p> <p>Retirement Division/State Employees Retirement Commission (1990)</p> <p>Revenue Forecasting in Connecticut (1990)</p> <p>Second Injury Fund (1993)</p> <p>Secretary of the State, Office of (1994)</p> <p>Sheriffs (1993)</p> <p>Sheriffs System, Connecticut (February 2000)</p> <p>Siting Controversial Land Uses (1991)</p> <p>Solid Waste Management (1979)</p> <p>Solid Waste Management Services, CRRA Fees for (1993)</p> <p>Space Acquisition, Department of Administrative Services (1987)</p> <p>Special Education in Connecticut (1972)</p> <p>State Board of Trustees for the Hartford Public Schools (1999)</p> <p>State Grants-in-Aid To Municipalities, Report on (1974)</p> <p>State Police Employment Practice Impact on Protected Groups (1994)</p> <p>Stream Flow (2003)</p> <p>Student Suspension and Expulsion (1997)</p> <p>Substance Abuse Policies for Juveniles and Youth (1996)</p> <p>Sunset Review Process (1999)</p> <p>Transportation, Department of (1984)</p> <p>Transportation Infrastructure Renewal Program (1997)</p> | <p>Truck Regulation and Enforcement (1982)</p> <p>Tourism (1997)</p> <p>Underground Storage Tanks, Regulation of (1998)</p> <p>Unemployment Compensation in Connecticut (1994)</p> <p>Unemployment Compensation Program, Connecticut State, Report on (1975)</p> <p>University of Connecticut 2000 Construction Management (2002)</p> <p>University of Connecticut Health Center, Report on the (1974)</p> <p>Vehicle Emissions Control Program in Connecticut (1986)</p> <p>Vehicle Emissions Testing Program (1999)</p> <p>Vocational Education in Connecticut, Secondary (1973)</p> <p>Vocational-Technical Schools, State Secondary (1987)</p> <p>Water Companies, Regulation of (1993)</p> <p>Water Pollution Control Program (1986)</p> <p>Weatherization Assistance for Low Income Persons (1980)</p> <p>Workers' Compensation: Impact of the Reform Legislation (1995)</p> <p>Workers' Compensation Insurance Rate Making (1992)</p> <p>Workers' Compensation System (1990)</p> |
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Sunset Review Reports

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| <p>Academic Awards, State Board for (1984)</p> <p>Accountancy, Board of (1983)</p> <p>Aging, Advisory Council on (1984)</p> <p>Agricultural Experiment Station, Connecticut (1983)</p> <p>Agricultural Lands Preservation Pilot Program (1980)</p> <p>Alcohol Advisory Council and Drug Advisory Council (1981)</p> <p>Architectural Registration Board (1983)</p> <p>Arts, Commission on the (1984)</p> <p>Barber Examiners, Board of (1980)</p> | <p>Bedding, Upholstered Furniture and Second Hand Hats, Regulation of (1981)</p> <p>Blind, Board of Education and Services for the (1984)</p> <p>Capitol Center Commission (1984)</p> <p>Capitol Preservation and Restoration, Commission on (1984)</p> <p>Child Day Care Council (1984)</p> <p>Children and Youth Services, Regional Advisory Councils on (1984)</p> <p>Children and Youth Services, State Advisory Council on (1984)</p> <p>Chiropractic Examiners, Board of (1980)</p> |
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| <p>Coastal Management Program (1983) Connecticut's Future, Commission on (1984) Crane Operators, Examining Board for (1984)</p> <p>Deaf and Hearing Impaired, Commission on the (1984) Demolition, Commission on (1982) Dental Commission (1980)</p> <p>Economic Advisors, Council of (1983) Embalmers and Funeral Directors, Board of Examiners of (1980) Employment Security Review Board (1983) Energy Advisory Board (1983) Engineers and Land Surveyors, State Board of Registration for Professional (1982) Environmental Quality, Council on (1983)</p> <p>Fire and Codes Services in Connecticut (1982) Firearms Permit Examiners, Board of (1982)</p> <p>Hairdressers and Cosmeticians, Regulation of (1980) Hearing Aid Dealers, Regulation of (1980) High Unemployment Areas, Advisory Committee on (1983) Historical Commission/American Revolution Bicentennial Commission, Connecticut (1984) Homeopathic Medical Examining Board (1980) Hospitals and Health Care, Commission on (1981) Housing, Department of (1983) Human Rights and Opportunities, Commission on (1983) Hypertricologists, Board of Examiners of (1980)</p> <p>Insurance Purchasing Board, State (1983) Investment Advisory Council (1983)</p> <p>Justice Commission, Connecticut (1982)</p> <p>Landscape Architects, State Board of (1982) Library Board, State (1984) Liquor Control, Department of (1982)</p> <p>Marketing Authority, Connecticut (1983)</p> | <p>Massage Parlors, Masseurs and Masseuses, Regulation of (1983) Materials Review, Board of (1982) Medical Examining Board (1980) Medicolegal Investigations, Commission on (1981) Mental Health, Board of/Facility Advisory Boards/Regional Mental Health Boards (1981) Mentally Retarded, Regional Center Advisory and Planning Councils for the (1984) Midwives, Regulation of (1980) Milk Regulation Board (1983) Municipal Police Training Council (1982)</p> <p>Natureopathic Examiners, Board of (1980) Nursing, Board of Examiners for (1980) Nursing Home Administrators, Board of Licensure of (1980)</p> <p>Occupational Licensing Boards (1982) Occupational Safety and Health Review Commission (1983) Occupational Therapists, Regulation of (1983) Opticians, Commission on (1980) Optometry, Board of Examiners in (1980) Organized Crime Prevention and Control, Advisory Committee on (1982) Osteopathic Examining Board (1980)</p> <p>Parent Deinstitutionalization Subsidy Aid Pilot Program (1983) Pharmacy, Commission on (1982) Physical Therapists, Board of Examiners for (1981) Podiatry, Board of Examiners in (1980) Properties Review Board, State (1983) Psychologists, Board of Examiners of (1980) Public Transportation Authority (1983)</p> <p>Real Estate Commission, Connecticut (1982)</p> <p>Sanitariums, Board of Registration for (1981) Siting Council, Connecticut (1983) Solid Waste Management Advisory Council (1983) Special Education, Advisory Council for (1984) Speech Pathologists and Audiologists, Regulation of (1980) Student Loan Foundation, Connecticut (1984) Subsurface Sewage Disposal System Examiners, Board of (1981)</p> |
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| <p><u>Sunset Summary Reports</u> General Report 1980 Sunset Reviews: Health Professions (1980) Summary of 1982 Sunset Reviews (1982) Summary of 1983 Sunset Reviews (1983) Summary of 1984 Sunset Reviews (1984)</p> <p>Television and Radio Service Examiners, State Board of (1983) Tree Protection Examining Board (1983)</p> <p>Veterans Home and Hospital Commission (1981) Veterinary Registration and Examination, Board of (1980) Voluntary Action, Council on (1984)</p> <p>Water Company Lands, Council on (1983) Well Drilling Board, Connecticut (1982)</p> | |
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Copies of reports published by the Program Review Committee may be obtained by contacting:

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Regulation of Emergency Medical Services (1999)

In March 1999, the program review committee authorized a study focusing on the three cornerstones of business regulation of Connecticut’s emergency medical services (EMS):

- assignment of exclusive service areas for emergency ambulance providers -- called primary service areas (PSAs);
- setting of maximum rates that ambulance providers are allowed to charge; and
- determination of need for licensing and certification.

The study was conducted in two phases; the first phase produced proposed legislation, which was considered during the 1999 session of the General Assembly, but did not pass. The second phase of the study focused on rate setting and determination of need for EMS, as well as refining options for EMS data collection from phase one. Recommendations concerning these areas were drafted in legislation for the 2000 legislative session (sSB 164). At the same time, the Public Health Committee raised a bill (sHB 5287) addressing only recommendations surrounding EMS data collection. Late in the legislative session, many aspects of the program review bill were merged with the public health legislation. The public health bill was further refined after public hearings and input from the regulated communities, towns, and other interested parties before passing both houses and becoming law (P.A. 00-151).

Two agencies – Department of Public Health (DPH) and Department of Public Safety (DPS) – are responsible for implementing the legislative changes required in the act. The program review committee extended its monitoring period beyond the typical three years because certain provisions of the legislation had effective dates well beyond its 2000 passage date. Also, in earlier annual compliance responses, the Department of Public Health had fallen significantly behind schedule with implementing both legislative and administrative provisions. The progress on compliance through 2004 is summarized below.

| Summary of Compliance with Committee Recommendations | | |
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| <i>Recommendation</i> | <i>Status after Five Years (2000, 2001, 2002,2003, & 2004)</i> | <i>DPH Response</i> |
| By October 1, 2001, DPH shall develop an EMS data collection system | Partial | Progress is still slow and is now three years behind schedule. DPH provided a milestone timetable, which included dates for computer and software delivery, as well as system testing anticipated in late January and early February 2005. Full implementation of the system is scheduled for July 30, 2005. However, when committee staff expressed interest in attending one of the testing sessions, staff was informed this latest timetable was already delayed a few weeks. |

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| <p>P.A. 00-151 required funding from the 9-1-1 Telecommunications Fund to finance the EMS system.</p> | <p>Partial – Funding has been allocated to DPH – not yet spent on system</p> | <p>DPH reports that it will now adopt data fields already developed in the National EMS Information System (NEMESIS) -- an initiative undertaken by several national emergency medical associations and agencies. The department explains that at the time DPH began working on the EMS system, NEMESIS did not exist. The first release of this national minimum EMS data set was in June 2004, and since then many states including Connecticut have adopted those data elements. In prior years DPH reported on its attempts to develop its own data, but now reports it is discontinuing those efforts. Adoption of the NEMESIS data set will require a change order to the system vendor.</p> <p>DPH indicates that linkages of data systems under the Department of Public Health and the Department of Public Safety still need to be built. Until that occurs, EMS providers will have to contact the primary service answering points in order to get the time the call was initially received. The department plans to design the system so that the 9-1-1 PSAP receiving the call will track the call from start to finish in electronic format. DPH did not indicate a date for that objective.</p> <p>DPH reported that it has received funding of \$1 million, through June 30, 2004, from the 9-1-1 Telecommunications Fund, which is to finance the EMS data collection system. DPH had a balance of \$860,587.56 through FY 04, but stated that the expenditure plan for FY 05 and FY 06 has total expenditures of \$725,000 as the data system is completed. DPH expects ongoing annual expenditures of \$140,000 after that to support the system. (Reconciling expenditures with funding may need to be addressed by Appropriations subcommittee in the future).</p> |
| <p>Not later than March 31, 2002, DPH must compile the response data by time ranges or fractile response times and report them to</p> | <p>Partial</p> | <p>To compile and report aggregate response data, DPH must depend on the EMS providers to submit their data to the state public health agency. Compliance from providers in this area is still a serious problem, as it has been in</p> |

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| <p>the General Assembly and post the report on the agency's website.</p> <p>P.A. 00-151 allows the commissioner to take enforcement actions for continued non-compliance.</p> | <p>Partial</p> <p>No actions taken</p> | <p>past years. In fact, 49 of the 209 providers have never submitted data.</p> <p>The most recent EMS data on the website is for calendar year 2003 (posted 8/19/04)</p> <p>DPH provided EMS hard copy data received through September 2004, but as yet the data are reported in average response times and not the fractile response ranges mandated in statute. DPH indicates the automated data collection system will capture and report the data in fractile response times as required.</p> <p>The act allows progressive enforcement action - including the issuance of an order or "show cause" hearing on removal of a primary service area designation -- with providers that do not submit data for six consecutive months. However, DPH has taken no enforcement action other than to send reminder letters to non-reporting EMS providers, and alert the regional coordinators to notify providers of the consequences of noncompliance.</p> |
| <p>By July 2002, each municipality shall establish a written local EMS plan.</p> | <p>Partial</p> | <p>Fully 64 towns have not yet complied with this requirement, more than two years beyond the required date. Since the compliance report last year, only four towns have submitted their EMS plans. DPH believes it needs to have statutory authority to take actions to ensure town compliance in this area, but has no plans to request legislative changes in this area. Instead, it encourages its regional EMS coordinators to assist towns in developing their plans.</p> |
| <p>By July 2002, research and develop outcome measures for the EMS system and report those to the Public Health Committee, and annually thereafter track and report on those measures.</p> | <p>Partial</p> | <p>DPH has helped to develop guidelines for local EMS providers or municipalities to measure certain aspects of their respective system. DPH had reported in 2001 that it would be working with the Trauma Committee to develop standards to measure patient outcomes. However, according to DPH in 2003, due to turnover in the OEMS office, particularly in the director's position, there had been no progress</p> |

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| | | made in the development of patient outcomes for the EMS system, and no reporting of them to the Public Health Committee. This status had not changed through 2004. |
| Streamline rate-setting process | Partial | Rate-setting statutes were changed in 2001 to add a health care inflation index, whereby services accepting only the inflation increase are required to submit only abbreviated rate filings and have automatic approval. During 2004, DPH separated the Advanced Life Support (ALS) category into emergency and non-emergency rates, to comply with Medicare requirements. Certain ancillary services are no longer added to the rate but are now included in the base rate. The 2005 rates were calculated by applying a weight formula to the 2004 rate plus the 4.4% medical CPI inflation factor. The 2005 standard base rate for most providers is \$346. |
| Streamline determination of need process | Partial | DPH completed a report – based on earlier studies including the committee’s 1999 EMS Phase Two report and one conducted by NHSTA -- that called for providing higher thresholds for additional services before a need review was necessary. However, this would have required statutory and regulatory changes, and DPH reports there was not consensus in the EMS community to implement those changes. |
| <i>Recommendation</i> | <i>Status</i> | <i>DPS Response</i> |
| By January 1, 2001, each public safety answering point (PSAP) is required to submit information regarding 9-1-1 medical calls on a quarterly basis to DPS. DPS is required to submit the information to DPH and make it available on its website. | Partial | DPS has collected the information from PSAPs and compiled a report for the last fourteen quarters. As required, the report gives fractile response times from receipt of the call to when the call is dispatched. DPS reports that 40 to 66 percent of 107 PSAPs were in full compliance with this requirement for the first three quarters of 2004. Two PSAPs have not reported any information for the entire period (East Hartford and Meriden). The Office of Statewide Emergency Telecommunications has in the past notified non-reporting PSAPs of their statutory obligation, provided training, conducted focus groups, publicized requirements at user group meetings and in newsletters, and offered technical assistance to all PSAPs to facilitate compliance. DPS notes that letters to chief |

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| | | <p>elected officials in towns with substantial non-compliance in 2004 did increase the compliance rate. The legislation does not authorize DPS to take any enforcement action for continued non-compliance.</p> |
| <p>By July 1, 2004, each PSAP is required to provide emergency medical dispatch (EMD) or arrange for EMD to be provided. DPS is required to oversee EMD implementation, and by July 1, 2001, is responsible for ensuring an EMD training course is available to PSAP personnel.</p> | <p>Full</p> | <p>DPS has established all the elements for PSAPs to adopt an EMD program and be reimbursed for training. This year DPS reports that all 107 PSAPs have approved EMD programs. Sixty-nine PSAPS have sent a total of 932 telecommunications staff to EMD training. Reimbursement costs to date have been \$249,537.</p> |