



House of Representatives

General Assembly

File No. 709

January Session, 2007

House Bill No. 7279

House of Representatives, May 2, 2007

The Committee on Appropriations reported through REP. MERRILL of the 54th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

***AN ACT CONCERNING THE ADMINISTRATION OF THE MONEY
FOLLOWS THE PERSON PROGRAM.***

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

1 Section 1. Section 17b-369 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2007*):

3 The Commissioner of Social Services, pursuant to Section 6071 of
4 the Deficit Reduction Act of 2005, [may submit an application to the
5 Secretary of Health and Human Services to] shall establish a Money
6 Follows the Person demonstration project. [In the event the state is
7 selected to participate in the demonstration project and the
8 Department of Social Services elects to participate in such project,
9 such] The Money Follows the Person demonstration project shall serve
10 not more than [one] seven hundred persons and shall be designed to
11 achieve the objectives set forth in Section 6071(a) of the Deficit
12 Reduction Act of 2005. Services available under the demonstration
13 project shall include, but not be limited to, personal care assistance
14 services. The commissioner may apply for a Medicaid research and

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Department of Social Services	GF - Cost	2,720,800	5,630,700

Municipal Impact: None

Explanation

This bill expands the number of people eligible to participate in the Money Follows the Person program from 100 to 700, and requires, rather than allows, the Department of Social Services (DSS) to implement the program. This reflects the state’s successful application to receive funds under the federal demonstration program. The funds included in sHB 7077 (\$2.7 million in FY08 and \$5.6 million in FY09) will allow DSS to transition 225 clients into the community by the end of the biennium and a total of 700 clients over the five-year grant period.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and increased program participation.

OLR Bill Analysis**HB 7279*****AN ACT CONCERNING THE ADMINISTRATION OF THE MONEY
FOLLOWS THE PERSON PROGRAM.*****SUMMARY:**

Last year, PA 06-188 allowed the Department of Social Services (DSS) to apply to participate in the new federal Money Follows the Person Rebalancing Demonstration Grant Program and allowed the Connecticut demonstration, if approved, to serve up to 100 people. In January 2007, the federal government approved Connecticut's application.

This bill requires DSS to establish the demonstration and increases the maximum number of people who can participate from 100 to 700. (DSS based its application on serving up to 700 people over five years.)

EFFECTIVE DATE: July 1, 2007

BACKGROUND***Federal Money Follows the Person (MFP) Rebalancing
Demonstration Grant Program***

The "money follows the person" concept allows funding that would otherwise be spent on institutional long-term care to be spent on services people need to live in the community.

The new federal program allows states to compete for federal grants for projects aimed at (1) increasing home and community-based, rather than institutional, long-term care services; (2) eliminating barriers that prevent or restrict flexible use of Medicaid funds to enable people to receive needed services in the setting they choose; (3) providing service continuity for people moving from an institution to

the community; and (4) ensuring and improving service quality. The demonstration begins January 1, 2007 and will give competitive grants to selected states for up to five years to move people from institutions to community-based settings.

To be eligible, individuals must have lived in a nursing home or other institution for at least six months and, if not for the community-based services provided under the demonstration, would have to remain in the institution. For the first 12 months the participant lives in the community, the program will pay an enhanced federal match compared to the usual Medicaid match. (In Connecticut, the Medicaid match is 50%, and the demonstration match is up to 75% for the state.)

COMMITTEE ACTION

Human Services Committee

Joint Favorable Change of Reference

Yea 17 Nay 0 (03/15/2007)

Appropriations Committee

Joint Favorable

Yea 48 Nay 0 (04/19/2007)