



Written Testimony Before the Human Services Committee

S. B. No. 1273 (RAISED) AN ACT CONCERNING RESPITE CARE SERVICES FOR CARETAKERS OF PERSONS WITH ALZHEIMER'S DISEASE.

S. B. No. 1274 (RAISED) AN ACT CONCERNING APPROPRIATIONS TO THE DEPARTMENT OF SOCIAL SERVICES FOR SUPPORTIVE HOUSING FOR PERSONS WITH HUMAN IMMUNODEFICIENCY VIRUS OR ACQUIRED IMMUNE DEFICIENCY SYNDROME.

S. B. No. 1275 (RAISED) AN ACT CONCERNING ADEQUATE STAFFING AT THE DEPARTMENT OF SOCIAL SERVICES.

S. B. No. 1335 (RAISED) AN ACT CONCERNING SCHOOL READINESS FOR HOMELESS CHILDREN.

H. B. No. 7289 (RAISED) AN ACT CONCERNING AUDITS CONDUCTED BY THE DEPARTMENT OF SOCIAL SERVICES.

H. B. No. 7302 (RAISED) AN ACT CONCERNING RATES PAID TO PROVIDERS UNDER THE CHILD CARE SUBSIDY PROGRAM.

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Commissioner Designee
March 6, 2007

Written Testimony

Good morning, Senator Harris, Representative Villano and members of the Human Services Committee. My name is Michael P. Starkowski. I am the Commissioner Designee of the Connecticut Department of Social Services (DSS). Thank you for this opportunity to submit written testimony on several bills on today's public hearing agenda addressing important issues in a range of DSS programs, such as Alzheimer's respite care, DSS Audits, Supportive Housing, School Readiness and child care payment rates. At the outset, I must observe that a number of the proposals before the committee today require appropriations that are neither included in my agency's existing budget nor recommended by the Governor in her biennial budget recommendation to the state legislature. In this regard, I am happy to assist the committee in its deliberations on these measures in any way I can, but am unable to offer my support for these increased expenditures at this time.

S. B. No. 1273 (RAISED) AN ACT CONCERNING RESPITE CARE SERVICES FOR CARETAKERS OF PERSONS WITH ALZHEIMER'S DISEASE.

I offer the following observation on this proposed legislation. Currently, clients who participate in the Connecticut Statewide Respite Care Program are eligible to receive up to \$3,500 in services to help them remain at home. The Program utilizes a multifaceted screening tool to ascertain the client's level of need for services, and makes referrals to other programs for which the client is eligible. In order to efficiently maximize program funding, money is allocated in varying increments in order to serve the greatest number of clients. Often, the care plan for each client does not reach the maximum \$3,500, which allows far more people to be served than if each received the \$3,500.

In SFY '06, 556 clients were served under this program. If the grant is changed from a maximum of \$3,500 to \$7,500, then some people could potentially receive more services and it is expected that less than 556 clients would be served in SFY '08. Increasing the per client cap while keeping the funding level stable would significantly reduce the number of new clients receiving services while also eliminating services for some recertified clients. Current program usage does not exhibit a demonstrated need for this increase to \$7,500.

S. B. No. 1274 (RAISED) AN ACT CONCERNING APPROPRIATIONS TO THE DEPARTMENT OF SOCIAL SERVICES FOR SUPPORTIVE HOUSING FOR PERSONS WITH HUMAN IMMUNODEFICIENCY VIRUS OR ACQUIRED IMMUNE DEFICIENCY SYNDROME.

This bill would provide funding to increase supportive housing for persons with Human Immunodeficiency Virus Or Acquired Immune Deficiency Syndrome in the state. Utilizing a combination of state and federal funds, the department currently administers the AIDS Residence Program and provides housing assistance and related supportive services in 12 towns throughout the state. In addition, the department is working closely with the Department of Mental Health and Addiction Services, the Department of Economic and Community Development, the Connecticut Housing Finance Authority

and other state agencies in implementing the Pilots and Next Steps Supportive Housing initiatives. These initiatives have established or are in the process of establishing over 1,100 new units of supportive housing to serve homeless families and homeless individuals with disabilities, including persons with HIV/AIDS. Given the state's existing and likely increased investment in these efforts, it would not seem necessary to invest the additional resources proposed in this bill.

S. B. No. 1275 (RAISED) AN ACT CONCERNING ADEQUATE STAFFING AT THE DEPARTMENT OF SOCIAL SERVICES.

I am pleased that the Governor's proposed budget for DSS includes additional staff and tools to facilitate our application processing. The proposed budget provides the Department with the funding necessary to help meet the current demands being placed on regional offices, as well as providing staff for several new initiatives. A total of 84 new positions are funded in SFY 2008 and 18 additional positions in SFY 2009, which increases our General Fund position count from the current level of 1,760 to 1,844 in SFY 2008 and to 1,862 in SFY 2009.

For some time now, the Department has recognized the need to hire additional staff to ensure that the regions are operating efficiently and fully meeting the needs of our clients. During the past 18 months we have made significant efforts to expedite the hiring of regional staff- we have implemented advance postings based on "potential" vacancies, we have moved to electronic vacancy postings, we have instituted group interviews of potential candidates, and we have established a self replenishing hiring pool for regional eligibility workers. With the assistance of DAS and OPM, we have made great strides in hiring, but we continue to have a difficult time keeping up with application processing due to the increased demand and additional federal requirements. We appreciate the staff that has been added through the appropriations process in the last several years, but demands on our staff continue to rise. The additional staffing in the Governor's proposed budget is primarily focused on meeting the needs in our regional offices.

Additionally, the Department of Social Services has been involved in a civil action, *Raymond v. Rowland*, regarding our ability to ensure meaningful access for individuals with disabilities to cash and medical benefits administered by DSS. Based on a settlement agreement and the Governor's efforts to support service enhancements for these clients, the Department will receive significant resources to develop and implement changes to agency operations which will become a permanent part of DSS' best practice in the service delivery area. Beyond the staff identified above, these resources include \$5.9 million of additional funding for other expenses associated with the required physical and environmental improvements to the twelve DSS regional offices. These modifications will facilitate program access for people with disabilities, including the installation of a document imaging system and a telephone voice response system to support eligibility operations; updating the DSS website and client forms to improve comprehension of our services by people with certain disabilities; and improvements to the Jobs First Service Needs Assessment to improve the screening of all new Jobs First clients for mental health issues, substance use, and learning disabilities. I strongly urge

your approval of the proposed settlement agreement when it comes before the General Assembly.

In summary, we hope the full legislature will adopt the increased staffing for DSS recommended by the Governor as we believe it provides the department with the needed staffing levels.

S. B. No. 1335 (RAISED) AN ACT CONCERNING SCHOOL READINESS FOR HOMELESS CHILDREN.

Deputy Commissioner Beaulieu has facilitated a planning committee comprised of community and state professionals to address the items presented in this proposed legislation. The committee has identified a variety of measures after thoroughly reviewing the subject area via community forums, committee meetings and a comprehensive survey of staff and families living in homeless and domestic violence shelters. We agree that pilot programs, within available appropriations, are necessary to insure a variety of service delivery models can be tested. We learned from our three community forums held in different towns that family and child needs are different. In addition, the existing community resources will be a determinant to what model is tested. While we support the proposed language and believe we could implement four pilot programs promptly due to the work we have completed to date, it must remain a priority to end the root cause of the basic problem, which is homelessness of the family. One of the problems with this proposal is that you may begin services to the client while they are homeless, but then services are disrupted when they move into more stable housing.

H. B. No. 7289 (RAISED) AN ACT CONCERNING AUDITS CONDUCTED BY THE DEPARTMENT OF SOCIAL SERVICES.

This bill requires that the Department complete audits of 2003 cost report filings by June 30, 2007 and, for subsequent cost years, complete audits within two years of submission. In addition, the bill requires use of statistically valid random sampling methodologies. We oppose this bill as the current record retention requirements are not burdensome and enacting a short time limit for audit completion would add between \$1.5 million and \$2.5 million in annual costs.

Cost reports are used to determine payment rates for nursing homes, hospitals, residential care homes and facilities for the mentally retarded. Under present law, service providers must retain records to support cost filings for seven years. While record retention necessitates attention to document organization and space, most providers are able to supply the payroll records, checks and invoices that are sampled as part of field audits. In fact, it has been our experience that many providers that have difficulty producing records for past cost years are also unable to properly support costs for recent year filings.

The Department regularly modifies its audit procedures to minimize and target document requests based upon the rate setting formula used for the service. The Department does apply statistically valid random sampling methods when auditing Medicaid claims by

providers; however, to apply such methods to cost filing reviews would greatly increase sample sizes and therefore increase audit time and costs. The Department allows facilities to provide additional information if they believe an extrapolation is not appropriate.

H. B. No. 7302 (RAISED) AN ACT CONCERNING RATES PAID TO PROVIDERS UNDER THE CHILD CARE SUBSIDY PROGRAM.

I am unable to support the rate modification and increases proposed in this legislation for the same reasons included in our recently approved federal Child Care Development Fund plan.

In our approved plan, DSS reported that since January 1, 2002, Connecticut child care providers participating in the Care 4 Kids program have been reimbursed at payment levels established through a 2001 market rate survey. This survey was conducted by the University of Connecticut Center for Survey Research and Analysis (CSRA). DSS contracted with CSRA to conduct the 2005 market rate survey.

In addition, DSS assessed the viability of the payment rates established in 2002 to the rates reported during the 2005 survey. UCONN CSRA also compared the 2005 reported rates to the advertised rates for the same facilities. The advertised rates were derived from figures reported to the United Way Child Care INFOLINE immediately prior to the start of the survey. Child Care INFOLINE is the state's child care resource and referral agency. Child Care INFOLINE maintains a statewide database of the actual charges reported by all licensed providers in Connecticut by the type of setting and age group.

As in prior years, the survey showed mixed results. On average, the 2005 rates reported by providers were 6 to 17 percent higher than the rates reported in 2002. UCONN also found that actual charges were 10 to 13 percent lower than reported rates for the same providers. Our own analysis showed that, on average, the current payment rates established through the 2001 market rate survey are all within 0.7 and 7.5 percent of the advertised rates reported to INFOLINE after the survey.

DSS also compared utilization trends from 2001 (immediately prior to implementing the 2001 rates) to present. The purpose of the comparison was to assess the ability of parents to access licensed care. The results showed that the percentage of children enrolled in licensed care increased from 31 percent in January 2002 to 47 percent in January 2005. The numbers continue to increase. Presently, 53 percent of children served by the program are enrolled in licensed care settings. These figures overwhelmingly demonstrate the adequacy of the current rate levels. For these reasons, we do not recommend the changes recommended in this legislation.

For additional information concerning this testimony, please contact Matthew Barrett, Legislative Liaison, at 860-424-5012 or via email at matthew.barrett@po.state.ct.us.