



# Connecticut Association of Area Agencies on Aging, Inc.

Testimony – Human Services Committee 2/27/07

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## Positions

- **Senate Bill 117, An Act Concerning Medicaid Eligibility Determinations for Persons Who Are Medically Needy, and House Bill 5640, An Act Concerning Increased Access to the Medicaid Program for the Medically Needy**

C4A **supports** these bills as alternate strategies to enable more individuals in need to access services under Medicaid. Senate Bill 117 seeks to require DSS to file an amendment to the Medicaid state plan to increase the medically needy income limit (MNIL) for older adults and those with disabilities to 100% of the Federal Poverty Level (FPL). House Bill 5640 seeks to increase the MNIL such that it is equal to the standard used for adults under Husky Plan A. Either of these guidelines will provide for regular adjustment of the MNIL to keep it current.

- **Senate Bill 1128, An Act Implementing the Governor’s Budget Recommendations with Respect to Social Services Programs**
  - C4A **opposes** Section 3, which seeks to eliminate the provision in law (enacted by **Public Act 05-243**) that increased the State Supplement unearned income disregard annually by the amount of the Supplemental Security Income cost-of-living increase.
  - C4A **opposes** Section 4, which seeks to permit DSS to use a more restrictive definition of the term “medical necessity”. Of concern is that the new definition may be used to limit care and services to participants of Medicaid.
  - C4A **respectfully urges** the Human Services Committee to carefully review the adequacy of the \$5 million budget ascribed to the Medicare Part D Supplemental Needs Fund that is referenced in Section 5.

Further, C4A **respectfully urges** the Committee to recommend that State funds again be appropriated to the CHOICES program for Medicare Part D outreach, education and enrollment assistance.

The AAA's have been privileged to partner with the DSS ConnPACE and Aging Services Divisions, CMA, municipalities and other local organizations to educate older adults, caregivers and professionals about the Medicare Part D prescription drug benefit. This network is grateful to DSS for allocating State Pharmacy Assistance Program (SPAP) funds received from CMS in support of additional staff, outreach materials, advertising and other costs of this education campaign. Nonetheless, these funds are expiring, and State funding is essential to enable CHOICES to continue to equip consumers with sufficient information to make meaningful initial enrollment and re-enrollment choices. As illustrated below, Part D outreach and enrollment activities have exponentially increased numbers served by CHOICES.

In 2006 alone, the Connecticut CHOICES program:

- helped over **60,000** individuals and caregivers to navigate the Medicare Part D benefit;
  - sponsored almost **700** outreach presentations;
  - partnered with the DSS and the Social Security Administration on **180** outreach and enrollment events;
  - trained, supervised and supported over **300** volunteer counselors; and
  - used radio, cable television, billboards, local newspapers and expert materials from the Center for Medicare Advocacy to educate the public.
- Finally, C4A **supports** Section 7, which proposes to increase the total number of individuals who may be served by the Money Follows the Person program from 100 to 700. This will make Connecticut's enabling legislation commensurate with the level of funding that has been received from the federal government in support of this new initiative.

➤ **House Bill 7191, An Act Concerning Revisions to the Statewide Respite Care Program**

C4A **supports** this bill in that it corrects an unintended consequence created by the program's eligibility requirements. Individuals who are eligible for Medicaid are prohibited from receiving services under the program because those age 65 and older are already able to receive a full array of respite services (e.g. adult day care, companion services) through the Connecticut Home Care Program for Elders (CHCPE). What was not contemplated in drafting the requirements, however, is that individuals who have not yet aged into eligibility for the CHCPE (those under the age of 65) cannot receive such services because "community" Medicaid does not cover them. The current prohibition on serving all Medicaid individuals through the Statewide Respite Program therefore means that very little service is available to individuals with early onset dementia who are under age 65 and on Medicaid. Surely this was not a result that was intended by the legislature in creating the program.

## **Background Information**

### **Medicare Part D Wrap-Around and CHOICES**

#### **Medicare Part D Wrap-Around**

Connecticut has established valuable “wrap-around” coverage to the Medicare Part D prescription drug benefit, which became effective January 1, 2006, for those who receive pharmacy benefits under the ConnPACE and Medicaid programs. For participants of ConnPACE, the State covers Medicare Part D monthly premiums, formulary drugs needed during the “gap” period under the federal coverage, and most prescription drug costs (co-payments and deductible requirements) over the standard \$16.25 co-payment. Additionally, the Legislature provided those who are dually-eligible for Medicare and Medicaid with coverage of the \$1-\$5 co-payments that they would otherwise have been obligated to pay. Finally, for both ConnPACE and Medicaid recipients, the Legislature in 2006 appropriated \$5 million to provide initial coverage for non-formulary drugs.

As the Medicare Part D benefit continues to be implemented, the Legislature must provide for full protections for participants of the ConnPACE and Medicaid programs including:

- effective and adequate coverage of non-formulary drugs;
- protection of dosage supplies available for each co-payment; and
- meaningful “exception” or appeal rights.

#### **CHOICES**

Connecticut’s program for Health Insurance Assistance, Outreach, Information & Assistance, Counseling, and Eligibility Screening (CHOICES) is a multi-faceted and collaborative initiative among the five Connecticut Area Agencies on Aging (AAA’s), the Department of Social Services Aging, Community and Social Work Division (ACSW), the Center for Medicare Advocacy (CMA) and numerous community partners, including senior centers. CHOICES:

- connects older consumers and their caregivers with clear, unbiased and comprehensive oral and written resource information on a broad range of topics including Medicare, Medicare supplement insurance (Medigap), Medicaid, Connecticut Partnership for Long Term Care policies, entitlements and community-based services;
- empowers older adults to make informed and autonomous choices about their finances, their health care coverage, their health and well-being and their living situations;
- provides older adults and others with a meaningful volunteer opportunity to be trained CHOICES counselors in the community; and
- ensures that elderly services professionals have a reliable and current source of training and materials to help them optimally serve their clients.

## **Home and Community-Based Services**

Since 1987, Connecticut has elected to offer care management and home and community-based services (HCBS) to eligible older adults through a Federal 1915(c) Medicaid waiver (the Waiver). As a complement to this program, Connecticut has also appropriated General Fund revenues in support of serving older adults at slightly higher income and asset levels than are permitted under the Waiver. These two components make up the Connecticut Home Care Program for Elders (CHCPE). In 2006, the CHCPE had an active client population of over 15,000 individuals, more than 10,000 of whom received services through the Waiver.

Over time, and in recognition of increased interest in self-directed care options, Connecticut has also created new vehicles through which participants of the CHCPE can receive their services. One example of this is a small state-funded Personal Care Assistant pilot (PCA Pilot) program that was established in 2000 to serve up to 50 individuals statewide. This program, which enables participants to hire and manage the schedules of their own helpers, was intended to serve younger individuals with disabilities who were aging into eligibility for the CHCPE, as well as older adults whose needs could not be effectively met through home care agency-based care plans. Over time, the PCA Pilot has been expanded. In the 2006 legislative session, the number of slots was increased to 250 statewide.

In the 2006 session, the legislature further expanded home and community-based options by:

- authorizing DSS to either amend the Medicaid State plan, or to seek approval from CMS, for a home and community-based waiver, to provide services that will allow individuals with severe psychiatric disabilities to avoid institutionalization or to return to the community from a nursing facility
- authorizing DSS to apply to CMS to establish a “Money Follows the Person” demonstration project for no more than 100 persons
- authorizing DSS to implement new home and community-based pilot programs for those with HIV/AIDS and multiple sclerosis.

The premise of the Money Follows the Person pilot, which was in 2006 authorized by the federal Deficit Reduction Act (DRA), will be to assist prematurely or inappropriately institutionalized individuals in transitioning back to independent living in the community. It is anticipated that this pilot will result in substantial savings in Medicaid long-term care expenditures. The intent of the new home and community-based pilot programs, and other such initiatives that are being proposed in the 2007 session, is to provide supports for individuals with disabilities and chronic health conditions who are age 18-64.

## **Statewide Respite Care Program**

The Connecticut Statewide Respite Program, which is operated through collaboration among the Department of Social Services, the Connecticut Alzheimer’s Association chapters and the Connecticut Area Agencies on Aging, has proved that it is a vital and cost-effective source of support for caregivers of individuals afflicted with Alzheimer’s disease or other dementia.

Need for the program is well substantiated. As families continue to become aware of this program, participation has swelled. Between July 1, 2005 and June 30, 2006, the program served over 700 clients with skilled care management intervention. This includes in-home assessment, assistance in identifying needed supports, and ongoing referral to other sources

of assistance including the Connecticut Home Care Program for the Elderly. During that period, 556 clients also benefited from payment for purchased services including adult day care, home health aide assistance, and companion/ homemaker support, among others. Most utilized services included adult day care (used by 49% of clients), companion/homemaker (used by 34% of clients), and home health aide (used by 22% of clients).

These services enabled family caregivers to safeguard their own physical health and mental well being by taking the time to visit the doctor, go shopping, maintain connections with friends and family, and rest and renew for the ongoing challenge of caring for loved ones with dementia. Data from this period is, however, but an initial indicator of overall need for assistance. Given that there are over 100,000 individuals in Connecticut with diagnoses of dementia, many more can be expected to seek the program's assistance.

The program's cost-effectiveness is also readily proven. This program was targeted to help middle-income families who have not traditionally qualified for state assistance with home care services. The financial assistance that is provided in paying for services is a meaningful investment in making sure that these caregivers can continue to provide care at home, thereby deferring and in some cases entirely obviating the need for state expenditure on nursing facility care.