



# Senate

General Assembly

**File No. 648**

February Session, 2008

Substitute Senate Bill No. 558

*Senate, April 17, 2008*

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING THE AVAILABILITY OF OPTIONAL SERVICES UNDER THE MEDICAID PROGRAM.***

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

1 Section 1. Section 17b-28e of the 2008 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective July 1, 2008*):

4 (a) [Not later than September 30, 2002, the Commissioner of Social  
5 Services shall submit an amendment to the Medicaid state plan to  
6 implement the provisions of public act 02-1 of the May 9 special  
7 session\* concerning optional services under the Medicaid program.]  
8 The Commissioner of Social Services shall amend the Medicaid state  
9 plan to include, as optional services covered under the Medicaid  
10 program (1) on and after July 1, 2008, hospice services, and (2) on and  
11 after January 1, 2009, services provided by a podiatrist licensed under  
12 chapter 375, and services provided by a chiropractor licensed under  
13 chapter 372. Said state plan amendment shall supersede any  
14 regulations of Connecticut state agencies concerning such optional

15 services.

16 (b) The Commissioner of Social Services shall amend the Medicaid  
17 state plan to include foreign language interpreter services provided to  
18 any beneficiary with limited English proficiency as a covered service  
19 under the Medicaid program.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	17b-28e

**HS**      *Joint Favorable Subst. C/R*      APP  
**APP**      *Joint Favorable Subst.*

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 09 \$	FY 10 \$
Department of Social Services	GF - Cost	1,500,000	3,000,000

**Municipal Impact:** None

**Explanation**

This bill restores the optional services category of care under the state Medicaid plan, effective January 1, 2009. Based on past expenditures for these services, it is expected that the restoration of services will cost \$3 million annually. sHB 5021 (the budget bill, as reported by the Appropriations Committee) contains \$1.5 million to reflect the restoration of these services, effective January 1, 2009.

The bill further requires The Department of Social Services to amend the Medicaid state plan to include hospice services. Depending on how the hospice benefit is structured, this can be implemented with no additional cost to the state.

**The Out Years**

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

**OLR Bill Analysis****sSB 558*****AN ACT CONCERNING THE AVAILABILITY OF OPTIONAL SERVICES UNDER THE MEDICAID PROGRAM.*****SUMMARY:**

This bill requires the Department of Social Services (DSS) commissioner to make certain optional Medicaid services available. He must amend the Medicaid state plan to add licensed podiatrists and chiropractors as covered providers, beginning January 1, 2009.

The bill also requires DSS to add hospice services to the state plan, beginning July 1, 2008. Currently, the state provides home health care services but not the full panoply of benefits required by state plan services.

Federal Medicaid law allows states to cover these services.

EFFECTIVE DATE: July 1, 2008

**BACKGROUND*****Optional Services***

In 2002, the legislature directed DSS to amend its Medicaid state plan to implement provisions in the FY 03 budget act concerning optional services. Although the act did not explicitly require this, DSS interpreted it as a mandate to eliminate Medicaid payment to the following independently enrolled providers: podiatrists, chiropractors, naturopaths, "independent therapists" (physical therapists, licensed audiologists, and speech pathologists), and psychologists for any services they provided to Medicaid recipients aged 21 and older. This went into effect January 1, 2003.

***Hospice Services as State Plan Benefit***

Medicaid state plan coverage for hospice is based on the Medicare benefit, which is available to people who are enrolled in Medicare Part A. Congress added the benefit to Medicaid in 1985 to help low-income individuals who were under 65 (and not eligible for Medicare) get the benefits. If a state elects this coverage, it is agreeing to offer a “bundled” benefit package, which includes a number of end-of-life services (e.g., bereavement counseling) along with other medical services that the regular home health care benefit (which Connecticut offers) will not cover. Additionally, the state plan benefit offers hospice care in nursing homes, which is not currently available in Connecticut as federal law prohibits Medicaid from paying for regular home health care services provided in this setting.

**Related Bill**

sSB 34, reported by Human Services and Appropriations, requires DSS to consult with the Office of Policy and Management to determine the cost effectiveness of adding hospice services to the Medicaid state plan. If it is found to be cost effective, the DSS commissioner must amend the plan by February 1, 2009.

**COMMITTEE ACTION**

Human Services Committee

Joint Favorable Substitute Change of Reference  
Yea 17 Nay 1 (03/18/2008)

Appropriations Committee

Joint Favorable Substitute  
Yea 54 Nay 0 (03/28/2008)