



38
138
344
5056
5419
5057
5059
5426
5841
5229
5231

Testimony Before the Human Services Committee

Proposed S. B. No. 38 AN ACT CONCERNING PAYMENT FOR SPECIALTY CARE TRANSPORTS.

Proposed S. B. No. 138 AN ACT CONCERNING THE STATE'S CLAIM ON THE DEATH OF A BENEFICIARY OF MEDICAL ASSISTANCE.

Proposed S. B. No. 344 AN ACT CONCERNING THE AVAILABILITY OF PODIATRY SERVICES UNDER THE MEDICAID PROGRAM.

Proposed H. B. No. 5056 AN ACT CONCERNING ELIGIBILITY FOR THE MEDICARE SAVINGS PROGRAMS.

Proposed H. B. No. 5419 AN ACT CONCERNING PARITY OF MEDICAID RATES FOR HOSPITALS LOCATED IN THE SAME MUNICIPALITY.

Proposed H. B. No. 5057 AN ACT CONCERNING A SINGLE POINT OF ENTRY FOR LONG-TERM CARE.

Proposed H. B. No. 5059 AN ACT CONCERNING THE FINANCIAL CONDITION OF NURSING HOMES.

Proposed H. B. No. 5426 AN ACT CONCERNING CHILD CARE SUBSIDIES FOR THE UNEMPLOYED UNDER THE CARE 4 KIDS PROGRAM.

Proposed H. B. No. 5841 AN ACT CONCERNING A UNIFORM REPORTING FORM FOR PRESCHOOL AND CHILD CARE PROGRAMS.

Proposed H. B. No. 5229 AN ACT CONCERNING RENTAL ASSISTANCE FOR HOMELESS FAMILIES LIVING IN SHELTERS IN THE CITIES OF NEW HAVEN AND HARTFORD.

Proposed H. B. No. 5231 AN ACT CONCERNING A PILOT PROJECT TO PROVIDE HOUSING TO FAMILIES SEEKING EMERGENCY SHELTER.

Claudette J. Beaulieu
Deputy Commissioner of Programs
February 5, 2009

Good morning, Senator Doyle, Representative Walker and members of the Human Services Committee. My name is Claudette J. Beaulieu. I am Deputy Commissioner of Programs at the Connecticut Department of Social Services (DSS). I am here this morning to testify on several bills concerning the programs, services and operations of DSS.

Proposed S. B. No. 38 AN ACT CONCERNING PAYMENT FOR SPECIALTY CARE TRANSPORTS

Specialty Care Transportation is defined in the Code of Federal Regulations as:

“interfacility transportation of a critically injured or ill beneficiary by a ground ambulance vehicle including medically necessary supplies and services, at a level of service beyond the scope of the EMT-Paramedic. SCT (specialty care transport) is necessary when a beneficiary’s condition requires ongoing care that must be furnished by one or more health professionals in an appropriate specialty are, for example, nursing, emergency medicine, respiratory care, cardiovascular care, or a paramedic with additional training.”

In other words, this is basically emergency room level of care being provided to a patient en route from one hospital to another to receive extremely critical tertiary care (i.e. trauma, a transplant, an infant transfer to a NICU).

DSS currently reimburses ambulances for both Basic Life Support and Advanced Life Support (\$218.82) but not SCT. A quick review of the Medicare fee schedule shows that Medicare ascribes a relative value (RVU) of 3.25 to SCT, as opposed to an RVU of 1.90 for Emergency Advanced Life Support (ALS). Just using our own ALS code as a basis for comparison, Connecticut’s SCT rate if this bill were enacted could be as high as \$375.

We don’t know how many transports per year Medicaid currently pays at the ALS rate or could potentially be moved to the higher SCT rate. However, assuming that our proxy numbers are correct, that would be an increase of \$157 per trip (\$218 to \$375) or a 72% increase.

In these uncertain economic times the department can not support this proposal.

Proposed S. B. No. 138 AN ACT CONCERNING THE STATE'S CLAIM ON THE DEATH OF A BENEFICIARY OF MEDICAL ASSISTANCE

The department feels that this legislation is unnecessary since it is a duplication of current practice. Our application for assistance prominently gives notice of all methods by which the state could pursue recovery from estates on the second to last page of the application, just above the applicant’s signature attesting to the fact that they have read the information. We also are developing a new rights and responsibilities brochure to

distribute to applicants and we will be including a section in that brochure concerning estate recovery.

Proposed S. B. No. 344 AN ACT CONCERNING THE AVAILABILITY OF PODIATRY SERVICES UNDER THE MEDICAID PROGRAM

Coverage of podiatry was eliminated during the 2002 session. Some surgical procedures performed on the feet of Medicaid recipients seem to have shifted from podiatrists to orthopedic surgeons when there is a need for surgery.

One area where there has been a decline is in the provision of routine foot care, especially to nursing home residents. That billing volume has all but disappeared and is being provided by nursing home staff or family members. Periodically, we are asked to consider restoration of that coverage as a preventive measure. In a normal year that kind of preventive investment to avoid potential future medical costs would make sense, but these are not normal times. This is a year in which we will struggle to maintain the coverage that we currently offer. If we don't have the money to pay for the services we have today, where would the money come from to expand that coverage?

The answer is that the money simply isn't there. And like many other bills that will come before the legislature this year, we believe that we must defer consideration of the restoration of podiatry coverage for adults until better economic times return.

Proposed H. B. No. 5056 AN ACT CONCERNING ELIGIBILITY FOR THE MEDICARE SAVINGS PROGRAMS

This bill would increase the income limits for the Medicare Savings Programs (Qualified Medicare Beneficiaries (QMB), Specified Low-Income Medicare Beneficiaries (SLMB) and Qualified Individuals (QI)) to the same level as the ConnPACE program. This is approximately 242% of the new federal poverty level (FPL) for an individual and 248% of the FPL for a couple. The maximum income level for the Medicare Savings Programs is currently approximately 166% of Federal Poverty Level for an individual and 181% of FPL for a married couple.

The department is concerned about the potential costs associated with increasing the income levels for these programs. There would be offsetting savings to the state in the ConnPACE program, as a result of the newly eligible individuals qualifying for the Medicare Part D Low Income Supplement, which would eliminate ConnPACE program costs related to pharmacy charges in the Medicare D "doughnut hole." However there would also be additional costs for the administration of these additional Medicare Savings Program cases.

Federal law prohibits the ConnPACE contractor from administering Medicaid program eligibility for the Medicare Savings Programs. Additional state staff would be required to determine the eligibility for those newly eligible under this proposal. The department

would design the process to take advantage of the existing ConnPACE eligibility process, but despite this there would be additional costs of administration. In addition, there would be increased state costs related to providing these benefits to individuals who currently do not participate in the ConnPACE program. As a Medicaid entitlement the department cannot limit participation in the expanded Medicare Savings Programs to just those individuals participating in ConnPACE. The state could see a significant increase in participation related to individuals who drop their private Medicare supplemental insurance coverage in order to participate in this expanded coverage, especially if the existing assets tests under the Medicare Savings Program are eliminated. Any analysis of the fiscal impact of this bill would have to consider the greater exposure the state would have from expanded rolls in the Medicare Savings program that would result in significant additional programmatic costs beyond the administrative costs, not just the potential savings in ConnPACE.

Finally, this bill proposes to amend the ConnPACE statute (17b-492) to provide for this coverage. This is not appropriate as this is not a ConnPACE program benefit, but rather a Medicaid benefit.

Proposed H. B. No. 5419 AN ACT CONCERNING PARITY OF MEDICAID RATES FOR HOSPITALS LOCATED IN THE SAME MUNICIPALITY

Four municipalities (Bridgeport, Hartford, New Haven and Waterbury) in Connecticut each have two general hospitals within their respective borders. This bill would require that the department increase the payment rate (or rates since multiple Medicaid programs) to each of the four hospitals with a lower rate than the other hospital located in the same municipality to the rate of the hospital with the higher rate.

Presently, payment rates for inpatient hospital services provided to fee-for-service (non-managed care) Medicaid eligibles are cost-based subject to allowable costs per discharge established in state statute and the Medicaid State Plan approved by the federal government. The Medicaid fee-for-service (FFS) rates in effect as of July 1, 2008 are the floor/minimum for rates negotiated and paid by managed care companies for enrolled Medicaid eligibles (HUSKY-family/children cases). The department also establishes hospital specific rates for inpatient psychiatric services provided to individuals under the Behavioral Health Partnership in accordance with program parameters. Payments for inpatient services provided to individuals eligible under the State Administered General Assistance (SAGA) program are based on FFS rates adjusted to account for available appropriations.

Proposed Bill 5419 does not specify whether some or all of the hospital rates that the department pays would need to be increased to those hospitals co-located with a hospital receiving a higher rate or rates. The bill also does not specify if the requirement applies to payments for outpatient services.

A preliminary analysis indicates that adoption of this bill would increase Medicaid program expenditures by at least \$12.4 million. The department is opposed to this bill due to unfunded costs and for reimbursement policy reasons.

While the goal of parity in program payment rates is worth discussing, we suggest that any such public policy discussion include a review of rate setting methods for hospital services not only for hospitals located within the same city but for each service type provided by hospitals throughout state. Case-mix and resource-based/treatment specific payment systems used by Medicare and other state Medicaid programs should be considered when planning changes to Connecticut Medicaid reimbursement policies. Further, while the differences in payment rates between hospitals may be seen as unfair, cost-based systems do account for hospital- specific building and operating costs that may deemed appropriately included in a new case-mix or resource-based/treatment specific rate system.

Proposed H. B. No. 5057 AN ACT CONCERNING A SINGLE POINT OF ENTRY FOR LONG-TERM CARE

Proposed HB 5057 provides for the establishment of a state-wide single point of entry (SEP) system by DSS for individuals seeking long-term care. It is proposed that the department establish single point of entry agencies for designated geographic areas and also provide comprehensive information which can be available to the public on the long-term care website. The department certainly supports the concept of SEP and has been leading the development of SEPs in Connecticut; however, the department supports this legislation only if funding is provided for SEP development and operation. A bill similar to this was proposed last year and not passed; however much has been done by DSS since that time to develop a pilot plan that would meet the intent of this bill.

The UCONN Long Term Care Needs Assessment concluded that the majority of consumers want to remain in their own homes with home care services and supports as necessary. The greatest obstacles to receiving such services, however, are the finances and the lack of knowledge about services. The critical need is for education and simply put, an Aging and Disability Resource Center (ADRC) is a solution. SEPs, or ADRCs as envisioned by the National Association of State Units on Aging (NASUA) and in development by the department's Aging Services Division, will provide information and assistance to both the aging and disability communities to meet the long-term care informational and referral needs of CT's population.

Through two federal grants, Aging Services has not only designated Area Agencies on Aging (AAAs) and Centers for Independent Living (CILs) as the regional entities responsible for comprehensive information and assistance, but also completed the critical steps making possible the opening of a South Central ADRC ("Community Choices") and the development of another in the Western Region. The other regional AAAs, though currently unfunded for ADRCs, have already aligned with their CILs in preparation for ADRCs in each region. In addition, the Money Follows the Person Project has linked the two partners to assist with transitions out of nursing facilities. CHOICES, the widely

recognized information and assistance program operating out of the AAAs, is, pursuant to prior legislation, providing long-term care options counseling. Community Choices, the South Central ADRC, is already in operation. Despite having an infrastructure in place, more needs to be accomplished in order to build the foundation for ADRCs in CT.

The cost of such development and operation statewide is approximately \$1.5 million per year which includes trained staff to provide ADRC services such as screenings, assessments, counseling, and long-term care planning. However, NASUA estimates that over 10 years, the savings for having ADRCs is \$1.2 billion for the state and another \$1.2 billion for the federal government. Based on keeping just 50 people out of nursing homes with supportive services from CT Home Care Program for Elders, the savings is approximately \$2,434,200 per year.

Notably, the department's Aging Services Division and Bureau of Rehabilitation Services have already begun this integral collaboration, as have the AAAs and the CILs. Further, OPM and the Commission on Aging, who host the long-term care website, already collaborate with Aging Services on ADRC-related web site content. The website presently includes critical information regarding the progress of the ADRC (SEP) in CT and information about access to the ADRC.

In addition, DSS is in the process of developing a web-based on-line application system which will be able to be utilized by the single point of entry servicer in assisting those applying for long-term care Medicaid coverage from the department. Implementation of this system is planned for late in 2010.

Proposed H. B. No. 5059 AN ACT CONCERNING THE FINANCIAL CONDITION OF NURSING HOMES

This bill would increase state oversight of the financial condition of nursing homes. The department agrees with the financial reporting and control requirements in the bill but we do not support adding nursing home oversight responsibilities to the Office of the Comptroller.

Assigning nursing home responsibilities to the Comptroller further fragments state agency responsibilities. The expertise for evaluating the nursing home financial stability resides in DSS, DPH and CHEFA. In addition, resources from the Office of the Attorney General's Whistleblower and Health Care units also provide valuable support. It is unnecessary to add the Office of the Comptroller to the nursing home arena.

As you may know, the department provided testimony before the Select Committee on Aging last week on Raised Bill 450, An Act Concerning Nursing Home Oversight. That bill contains many of the same provisions as Bill 5059. In his testimony on RB 450, the commissioner indicated that the department would work with committees of cognizance to revive the nursing home oversight legislation that was developed last session through extensive work by my department, legislative staff and the Office of the Attorney General but did not pass. The Governor has submitted SB 845 to the public health committee for your consideration. Although both bills are very similar, I recommend passage of the

Governor's bill because it is more in the line with the version that was negotiated by all four caucuses, DPH, DSS, OPM and the Attorney General.

I look forward to the adoption of an enhanced nursing home oversight program this year.

Proposed H. B. No. 5426 AN ACT CONCERNING CHILD CARE SUBSIDIES FOR THE UNEMPLOYED UNDER THE CARE 4 KIDS PROGRAM

Currently, the Care 4 Kids program allows for parents who lose their job to receive child care assistance while they look for work for up to an additional 8 weeks.

The proposed legislation will require that the state subsidize an additional 4 – 5 months of child care. The current budget estimate does not include sufficient funds to support these additional weeks.

Proposed H. B. No. 5841 AN ACT CONCERNING A UNIFORM REPORTING FORM FOR PRESCHOOL AND CHILD CARE PROGRAMS

The proposed law does not provide sufficient information to determine its impact. This proposed bill appears to only focus on preschool aged children. However, DSS child care funds support children aged 0-18. It would not be efficient for us to only report on preschool children.

The bill also discusses a "reporting form" but with no definition or understanding what type of data is being requested. Most reports are generated based on the data you collect via an application. Thus, if this required a change to the C4K application, there would be administrative costs.

Proposed H. B. No. 5229 AN ACT CONCERNING RENTAL ASSISTANCE FOR HOMELESS FAMILIES LIVING IN SHELTERS IN THE CITIES OF NEW HAVEN AND HARTFORD

This bill would require that the department provide a total of 100 rental assistance certificates to homeless families in the cities of Hartford and New Haven. Currently the Rental Assistance Program funding allocation is fully committed and any turnover certificates are needed to meet the department's obligations for Next Steps supportive housing projects under development and former nursing home patients entering the community under the Money Follows the Person Program. In light of this, funding for additional rental subsidies would be required. Although the department shares the concern of the bill's sponsors regarding the need to reduce family homelessness, given the state's current fiscal situation, it is unlikely that such funds will be available for this purpose. In addition, we hope that our work on the Rapid Rehousing initiative, a collaborative effort by several state agencies, the Coalition to End Homelessness and service providers, will reduce family homelessness not only in Hartford and New Haven, but everywhere across the state.

Proposed H. B. No. 5231 AN ACT CONCERNING A PILOT PROJECT TO PROVIDE HOUSING TO FAMILIES SEEKING EMERGENCY SHELTER

This bill would establish a pilot program to rapidly re-house homeless families within available appropriations. The program would be administered by the Department of Social Services in consultation with the Department of Economic and Community Development and the Department of Children and Families.

The department has been in discussions with the Connecticut Coalition to End Homelessness, DECD and DCF for several months in reference to such pilot program. The Governor's FY2010-2011 biennial budget proposes a rapid rehousing initiative and, in order to do so, maintains existing housing/homeless funding to ensure sufficient appropriations to support the new program in the next biennial budget. The Department of Economic and Community Development would provide funding from its federal HOME Program funds for rental subsidies, DSS would modify its Beyond Shelter Programs to support the program model and the Department of Children and Families would use its flexible funding account to provide funds for an assessment and supports for DCF families who are homeless. The proposed model is based on approaches that have been used successfully in other states to rapidly move homeless families from homeless shelters to rental units in the community. While we do not believe that legislation is required, the department is committed to such a pilot program consistent with the Governor's proposed budget.

Thank you for the opportunity to testify before you today. I will be happy to answer any questions that you may have.