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**Testimony of Jamey Bell, Executive Director,
before the Appropriations Committee
CONCERNING
*BUDGET APPROPRIATIONS FOR THE DEPARTMENT OF SOCIAL SERVICES***

February 18, 2009

Thank you, Members of the Appropriations Committee, for this opportunity to provide testimony concerning proposed appropriations which affect the health care programs for over 400,000 of the state's most financially and otherwise vulnerable people. I am the Executive Director of CT Voices for Children, whose mission is to promote the well-being of all of Connecticut's young people and their families by advocating for strategic public investments and wise public policies. I am also on the Board of Directors of the CT Oral Health Initiative (COHI) and a member of the CT Coalition for Medical Interpretation (CCMI). Before last fall, I was a legal services lawyer for 26 years, and was lead counsel in *Carr v. Wilson-Coker*, a lawsuit which was settled in 2008 with significant increases in the fees paid to providers for children's oral health care in the Medicaid program.

I. CT Voices opposes elimination of adult dental coverage in the Medicaid program

The proposed 2009-2010 DSS budget eliminating adult dental coverage except in emergencies is poor fiscal, economic and public health planning because it is likely to result in:

- More emergency room visits to already overburdened hospitals, at much greater cost than non-emergency prevention and treatment. A study shows that when Maryland cut this segment of services back in 1993, dental visits to emergency departments increased 12 percent.
- Increases in painful, dangerous and expensive health problems— including abscesses, infections, diabetes, heart disease, oral cancers, dental decay and gum disease—associated with lack of dental services and poor oral health.
- Worsening nutrition, particularly among elderly and disabled people.
- Transmission of bacteria that causes dental decay from mothers to their newborns.

Even in terms of saving money in the *short term*, the cut is misleading. The federal stimulus package increases the amount that Connecticut will be reimbursed for its Medicaid program during the next 9 calendar quarters. The FMAP will increase from 50 to at least 56.25 percentage point base rate

increase (i.e 50 cents to 56.25 cents for each dollar spent in Medicaid).¹ States with high unemployment (which includes CT) will receive additional percentage increases in their federal matching funds. Therefore, eliminating adult dental gives up opportunities to bring more federal matching money into the state for essential health services.

Furthermore, this cut foregoes opportunities in the newly enacted Children's Health Insurance Program (CHIP) bill to increase matching funds for adult pregnant women covered by Medicaid. Connecticut may be able to claim the CHIP matching rate (65 cents on the dollar) for pregnant women above 185% FPL. Currently, Connecticut covers pregnant women with family income under 250% FPL under Medicaid. Eliminating dental coverage for adult pregnant women therefore gives up a potential 65% federal match for women whose poor oral health may negatively impact their infants. In reality, now that the state has increased federal Medicaid funds available to it for the next two years, every dollar of "savings" in Medicaid saves the state fisc even less than it did before.

II. CT Voices opposes elimination of funding for medical interpreters in the Medicaid program, and the plan to defy state law requiring the amendment of the Medicaid state plan to include foreign language interpreter services as a covered service

The proposed budget recommends cutting funding for interpreters under Medicaid, and states that "DSS will not amend the Medicaid state plan to include foreign language interpreter services as a covered service under the Medicaid fee-for-service program." This is another short-sighted cut which is likely to instead *increase* costs, both financial and health, rather than save money.

The inability to communicate with a health care provider can cause serious injury or death. An estimated 22,000 Medicaid recipients in Connecticut have limited English proficiency. Sixty-five different languages are spoken by low-income residents with limited English proficiency (LEP) in Connecticut. When qualified interpreters are not available, patients and providers resort to using untrained staff, friends, or family members, including children. This can result in misdiagnosed or undiagnosed medical conditions, delayed or inappropriate care, medical mistakes, and higher costs for the entire system.

Furthermore, as with eliminating adult dental, this cut potentially decreases the federal matching funds available under the CHIP program. Under the new CHIP appropriation, Connecticut would be able to claim **75 cents** on every dollar spent on translation and interpretation services to help individuals enroll and renew Medicaid and HUSKY A and B coverage and to use medical services.

Finally, again, as in the last two years, this budget proposes to defy clear state law—Public Act 07-185, codified at Conn. Gen. Stat. Section 17b-128e-- requiring the DSS to amend the Medicaid state plan to add medical interpretation as a covered service. Currently, in the HUSKY program, the managed care organizations are charged with providing interpreter services within the administrative costs portion of their capitated payments. The policy reasons for making medical interpretation a

¹ I. Lav, E. Park, J. Levitis, M. Broaddus, Center on Budget and Policy Priorities, *Recovery Act Provides Much-Needed Targeted Medicaid Assistance to States*, available at www.cbpp.org/2-13-09sfp.htm

covered service are clear: monitoring cost, access, utilization and quality is facilitated by the transparency and certainty of providing, and paying for, the service on a individual unit basis.

But beyond this concern is the *wholesale lack of any medical interpretation system* for the fee-for-service population, i.e. disabled adults and the elderly. This intentional refusal to make the service a covered service, despite repeated legislative directives to do so, flies in the face of sound fiscal and health policy. But the state's intentional refusal to provide the service for an entire Medicaid population—the fee for service population—is especially problematic and may raise legal problems.

III. CT Voices opposes elimination of independent HUSKY performance monitoring (elimination of “Children’s Health Council Account”)

The proposed budget eliminates the Children’s Health Council account, claiming the funding is “to provide analyses of trends in HUSKY eligibility and to coordinate outreach activities.” This description is inaccurate: the analyses performed by the former Children’s Health Council, now by CT Voices for Children, are actually the only *independent* analyses of **utilization** of services that currently takes place. DSS’ reports to the Medicaid Managed Care Council, on an annual or even less frequent basis, are a compilation of the managed care organizations’ self-reported numbers of members’ use of services. DSS itself does not conduct independent assessment of the reports’ accuracy, or any other performance monitoring in the nearly \$800 million dollar HUSKY program.

As the attached Voices’ Policy Brief “Ensuring Accountability and Access to Care in the HUSKY Program Through Independent Performance Monitoring”, February 2009, details,

Without independent tracking and oversight, families in HUSKY A may not get the care they need and *no one will know*. For families enrolled in HUSKY’s managed care plans, the state pays a monthly fee for each HUSKY member, *whether or not the member receives any health services*. An analysis of HUSKY health care found that in 2007, the state paid millions of dollars for HUSKY members who did not get care. Nearly 16,000 children aged 2 to 19 (11% of all children in HUSKY A for the entire year) did not have *any care at all*, even though Connecticut paid the managed care plans over \$38 million to provide care for these children.

In addition, during a time of tremendous and potentially confusing changes in the system, as has occurred over the past year, maintaining independent performance monitoring can ensure accountability. After shifting all health care management *out* of risk-based managed care plans for the first time in the history of HUSKY, management has recently returned to at-risk managed care plans. There are also now three benefits (pharmacy, mental health and dental) carved out of managed care, and a pilot “primary care case management” system. Without the continuation of independent performance monitoring, it will be difficult if not impossible to assess the effects of these systemic changes on access to care.

IV. CT Voices supports maintenance of maximum funding for Early Care and Education, the development of a uniform reporting form for preschool and child care programs, and delay in implementing quality improvement systems until funding is available

The proposed budget appears to recognize the importance of continued funding early childhood care and education programming even in the face of great economic hardship. Continued support for programs like the State Funded Child Care Centers, Care 4 Kids, Head Start and the Family Resource Centers shows a recognition of the need to protect the state's most vulnerable population – children. These programs are vital to our extended economic viability as they not only serve as a critical link in providing early learning skills for children but are also an essential resource for working families. While appreciative that the budget is hold-harmless in many of these line items, it would be remiss to not acknowledge the fragility of the early care world and that a drop off in any one of these funding streams would create a fiscal nightmare that could jeopardize entire centers and programs.

In the coming months new federal funds will be available to the state as a result of the federal economic recovery package. As part of Connecticut's Early Childhood Alliance, Voices urges that the increased Child Development Block Grant funding not be used as a replacement for state funds currently allocated. This grant should be instead used to allow DSS to grant a parent who becomes unemployed the ability to continue to receive a childcare subsidy under Care4Kids for a period of time that is consistent with the period of unemployment benefits eligibility (26 weeks). Availability of extended childcare benefits is especially important at a time of unemployment because the childcare setting can provide a child a stable environment during a time of certain economic and other stress for the family. Equally important is that extending childcare benefits allows *the child* to continue receiving quality early care and education, preparing the child for future educational success, and productivity as an adult worker.

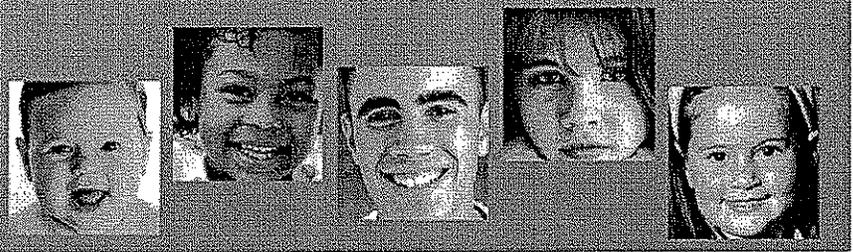
Connecticut Voices for Children also strongly supports development of a uniform reporting form for all preschool and child care programs receiving state funding, for ease of administration and for accountability. This type of regulation change would not only create a stronger early childhood education system but would also allow for state dollars to be maximized on services to children as opposed to cumbersome bureaucracy.

Finally, while Voices stands behind critical steps taken in the past to improve quality in the early care system – such as the Quality Rating and Improvement System as well as increased workforce requirements – we oppose their implementation in a time where no resources can be provided to achieve these aims.

My colleague Sharon Langer, Senior Policy Fellow at Voices, will testify about other areas of the HUSKY budget.

Thank you very much for the opportunity to testify today.

CONNECTICUT VOICES FOR CHILDREN



Ensuring Accountability and Access to Care in the HUSKY Program Through Independent Performance Monitoring

February 2009

Governor Rell's proposed budget for Fiscal Years 2010 and 2011 would eliminate funding for independent performance monitoring of the HUSKY program, undermining longstanding legislative efforts to ensure that taxpayer funds for a major health care program are spent wisely. Over 345,000 Connecticut children, parents, and pregnant women depend on the HUSKY Program for access to preventive care and treatment. Each year, one in three Connecticut babies is born to a mother who is enrolled in the HUSKY Program or fee-for-service Medicaid. To help ensure that tax dollars for one of the most important programs in the state budget are spent wisely and to help meet federal accountability standards, the Connecticut General Assembly has appropriated funds for independent performance monitoring since 1995. Under a state appropriation and a contract with the Hartford Foundation for Public Giving, Connecticut Voices for Children has conducted this performance monitoring since 2004. Health coverage in HUSKY A (Medicaid managed care) and HUSKY B (State Children's Health Insurance Program managed care) costs about \$800 million (50% or more of this amount is reimbursed by the federal government). For a relatively small annual cost of \$218,000 for performance monitoring, Connecticut can help ensure that this \$800 million is well spent. (In FY08-09, the funds appropriated for performance monitoring were in a line item labeled "Children's Health Council.")

Performance monitoring and evaluation provide a window into the care that HUSKY members actually receive. The goal of the HUSKY program is ensuring access to health care, not simply enrollment. Through HUSKY Program performance monitoring, Connecticut Voices helps to evaluate

whether the program is meeting this goal. Connecticut Voices obtains HUSKY A enrollment and "encounter" (provider billing) records and HUSKY B enrollment data from DSS, then uses these data to track enrollment and utilization of health care, including well-child care, preventive dental care, asthma, emergency care, and other aspects of health and health care.

Without independent tracking and oversight, families in HUSKY A may not get the care they need and *no one will know.* For families enrolled in HUSKY's managed care plans, the state pays a monthly fee for each HUSKY member, *whether or not the member receives any health services.* An analysis of HUSKY A health care found that in 2007, the state paid millions of dollars for HUSKY members who did not get care. Nearly 16,000 children aged 2 to 19 (11% of all children in HUSKY A for the entire year) did not have *any care at all*, even though Connecticut paid the managed care plans over \$38 million to provide care for these children. (Behavioral health care was not included in this analysis.)

Maintaining independent performance monitoring can ensure accountability during a time of tremendous change in the HUSKY program. The HUSKY program has been undergoing sweeping and often confusing changes that are directly affecting access to care for thousands of Connecticut families.

- In 2008, after quickly shifting all health care management *out* of risk-based managed care plans for the first time in the history of the HUSKY program, the Governor later *returned* management of health care decisions to managed care plans. Two of the three health plans are new to

HUSKY. During this transition, many HUSKY A members were covered under “fee-for-service” arrangements, outside the managed care system.

- Providers were slow to sign up to participate in the HUSKY health plans, leading many to question whether HUSKY families will be able to find a doctor who will treat them.
- In the last two years, pharmacy, mental health, and dental benefits were “carved out” of the managed care plans and are now administered by DSS or third party organizations.
- In February 2009, DSS began implementing a pilot Primary Care Case Management system that pays providers to coordinate the care of HUSKY patients outside of managed care organizations.

These and other developments have resulted in major and unprecedented changes and disruptions in the delivery of health care for HUSKY members. Independent performance monitoring is critically important for assessing whether these dramatic changes have helped or harmed access to care.

Performance monitoring can help improve public health and public policy. Effective health care policy must be driven by data and evidence. While investigating health care access problems, an independent monitor can work effectively with state agencies, health plans, and providers to identify problems, track trends, evaluate outcomes, and improve health care for all children in HUSKY. For example, through HUSKY performance monitoring:

- Connecticut Voices reported that smoking during pregnancy, which increases health risks for both mother and child, is five to six times higher among mothers in HUSKY than other mothers. This finding motivated HUSKY health plans to provide some treatment for tobacco dependence even though it is not a covered benefit in the Medicaid program.
- Connecticut Voices reported that most children who have emergency room care for asthma do not receive recommended follow-up visits. This finding led at least one health plan to invest more resources into managing asthma care.
- Poor access to dental care has been a systemic problem in the HUSKY program. Connecticut

Voices reported that school-age children in Hartford are far more likely than other children in HUSKY to receive preventive dental care. This finding is solid evidence of the effectiveness of providing services through school-based dental clinics.

Performance monitoring identifies problems and trends in HUSKY enrollment. Each year, many children lose eligibility or move between HUSKY A (for low-income residents) and HUSKY B (for low-to moderate-income residents) because of changes in income or family size. Because of confusion among families about application and renewal forms and requirements, and because enrollment for the programs is administered by separate entities, many children lose coverage. An analysis of enrollment data by Connecticut Voices found that over 2006 and 2007, there was a large number of children and parents new to the program (141,291) who had not been enrolled in the previous 12 months. An expansion of income eligibility for parents during this period led to increased enrollment among both adults and children. However, there was only a modest net increase in total enrollment in HUSKY (11,355). The large difference between the net enrollment increase and the number of new enrollees indicates that there are ongoing problems with keeping eligible families in the program. These problems warrant increased attention on the part of policy makers, state agencies and community-based outreach providers.

Independent performance monitoring is an essential component of an overall approach to oversight and quality improvement in a program that affects the health and well-being of many Connecticut residents. Only through independent performance monitoring can all stakeholders -- the state, health care providers, consumers, and the public at large -- assess the effects of program changes and ensure that state and federal dollars are spent wisely. Ongoing performance monitoring by an independent entity that is "on the ground" in Connecticut contributes to timely, data-based information for policy development and program evaluation.