

# Health Care Facts



Medicaid Fee-For Service Program

HUSKY A

Primary Care Case Management (PCCM)

HUSKY B (Including HUSKY Plus)

State Administered General Assistance (SAGA) Medical

**December 2008**

## Medicaid Statutory Services

Mandatory Services		Optional Services	
<b>Acute Care</b>			
<ul style="list-style-type: none"> <li>• Physician, nurse practitioner and nurse midwife services</li> <li>• Laboratory and x-ray services</li> <li>• Inpatient and outpatient hospital services</li> </ul>	<ul style="list-style-type: none"> <li>• Screening and treatment services for children (EPSDT)</li> <li>• Family planning services</li> <li>• Federally-qualified health center (FQHC) and rural health clinic (RHC) services</li> </ul>	<ul style="list-style-type: none"> <li>• Prescribed drugs</li> <li>• Medical care or remedial care furnished by licensed practitioners under state law</li> <li>• Diagnostic, screening, preventive, and rehabilitative services</li> <li>• Clinic services</li> <li>• Dental services, dentures</li> </ul>	<ul style="list-style-type: none"> <li>• Physical therapy and related services</li> <li>• Prosthetic devices</li> <li>• Eyeglasses</li> <li>• TB-related services</li> <li>• Primary care case management services</li> <li>• Other specified medical and remedial care</li> </ul>
<b>Long-term Care</b>			
<ul style="list-style-type: none"> <li>• Nursing facility services for people 21 years of age or older</li> </ul>	<ul style="list-style-type: none"> <li>• Home health care services (for people entitled to nursing facility care)</li> </ul>	<ul style="list-style-type: none"> <li>• Intermediate care facility for people with mental retardation (ICF/MR) services</li> <li>• Inpatient and nursing facility services for people 65 or over in an institution for mental diseases (IMD)</li> <li>• Inpatient psychiatric hospital services for children</li> <li>• Home health care services</li> <li>• Case management services</li> </ul>	<ul style="list-style-type: none"> <li>• Respiratory care services for ventilator-dependent individuals</li> <li>• Personal care services</li> <li>• Private duty nursing services</li> <li>• Hospice care</li> <li>• Services furnished under a "PACE" program</li> <li>• Home and community-based (HCBS) services (under budget neutrality waiver)</li> </ul>

“Federal Proposals to Restructure Medicaid: What They Could Mean for Connecticut”, Georgetown University Health Policy Institute, July, 2003, Appendix Table 1, citing Kaiser Commission on Medicaid and the Uninsured, “The Medicaid Resource Book”, July, 2002

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## Medicaid Fee-For Service Program

*Most people participating in Medicaid in Connecticut are in HUSKY A (about 333,000 of the 423,000 Medicaid participants are in HUSKY A). But there are other routes to eligibility - mostly available to people who are elderly or disabled.*

### *Who uses the Medicaid Fee-For-Service Program?*

There are about 90,000 people who participate in Medicaid in Connecticut and are not in HUSKY A. In most cases, these are people who are poor and elderly or disabled. Some people are eligible because of their participation in other assistance programs. For others, income limits are very low - about 60% of the federal poverty level. Asset limits are also low - \$1,600 for an individual, \$2,400 for a couple.

Some people who are "medically needy" can become eligible for Medicaid by "spending down".

This is an option available to people who have high medical costs but whose income is too high to qualify through other eligibility routes. To qualify as "medically needy", individuals must incur sufficient medical expenses to reduce their available income to the income eligibility levels of the Medicaid program.

People who need nursing home or long-term home health care may also be eligible for Medicaid coverage if their income does not cover the cost of medical care and their assets are limited.

People who qualify for Medicaid through the access routes described above are in the fee-for-service portion of the program, rather than the managed care portion. Most Medicaid participants in HUSKY A are in the managed care system.

### *What services are offered?*

Medicaid covers most health care services including hospital and nursing home care, home care, lab tests, X-rays, medical equipment like wheelchairs, eyeglasses, hearing aids, prescription drugs, some dental care and doctors' care. Medicaid does not cover podiatrists, chiropractors, naturopaths, psychologists or independent physical therapists, audiologists or speed therapists.

### *What does the Medicaid Fee-For-Service Program cost?*

It is difficult to identify individual costs of the different parts of Medicaid in state budget documents. The total Medicaid budget for SFY 2007 was approximately \$3.2 billion. The HUSKY program accounts for \$750 million, according to DSS estimates. The remainder, \$2.4 billion, covers the Medicaid Fee-For-Service costs.

“Federal Proposals to Restructure Medicaid: What could they mean for Connecticut?”, the Georgetown University Health Policy Institute, July, 2003, for the Anthem Foundation of Connecticut, Inc., Children’s Health Council and the Connecticut Health Foundation.

Medicaid “Mandatory” and “Optional” Eligible Groups	
“Mandatory” Groups	“Optional” Groups
<ul style="list-style-type: none"> <li>• Children under age 6 <math>\leq</math> 133% of Federal Poverty Line (FPL)</li> <li>• Children age 6 and older <math>\leq</math> 100% of FPL</li> <li>• Children in foster care</li> <li>• Pregnant women <math>\leq</math> 133% of FPL</li> <li>• Parents with incomes below state-established minimums*</li> <li>• Elderly and disabled SSI beneficiaries (incomes <math>\leq</math> 74% of FPL)</li> <li>• Low-income Medicare beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>• Children and parents above minimum requirements</li> <li>• Pregnant women <math>&gt;</math> 133% of FPL</li> <li>• Disabled ad elderly people <math>&gt;</math> 74% FPL including those in nursing homes</li> <li>• Disabled and elderly people served under Home and Community Based waivers</li> <li>• Women with breast and cervical cancer</li> <li>• Certain disabled people who are employed and buy into coverage.</li> </ul>

“Federal Proposals to Restructure Medicaid: What They Could Mean for Connecticut”, Georgetown University Health Policy Institute, July, 2003, Appendix Table 1, citing Kaiser Commission on Medicaid and the Uninsured, “The Medicaid Resource Book”, July, 2002

\* 185% for Connecticut



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## HUSKY A

*HUSKY A is the Medicaid-funded portion of HUSKY which provides health care coverage to the low-income children, their parents and pregnant women.*

### *Who uses HUSKY A?*

HUSKY A covered 219,553 children and 104,360 adults in August of 2008. Children and their parents at or below 185% of the federal poverty level and pregnant women up to 250% of the federal poverty level are eligible for HUSKY A.

### *What health care services are provided through HUSKY A?*

Children in HUSKY A are eligible for the comprehensive Medicaid Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit package. Adults in HUSKY A receive a less generous benefit package than

children but they still have access to many preventive services, including dental care, in-patient hospitalization and prescription drug coverage. The benefits are less generous for adults because adults are not covered by federal EPSDT requirements.

The EPSDT program must provide:

- *A comprehensive health and developmental history including assessment of physical and mental health development and assessment of nutritional status.*
- *A comprehensive, unclothed physical exam*
- *Appropriate immunizations according to age and health history*
- *Laboratory tests (including lead blood level assessment appropriate for age/risk factors)*
- *Health education including anticipatory guidance*
- *Vision, hearing, and dental screening must be provided at intervals which meet reasonable standards of medical and dental practice.*

### *What does HUSKY A cost?*

It is difficult to identify the cost of HUSKY A in state budget documents. HUSKY A costs are incorporated in the Medicaid line. For SFY 2007, DSS officials estimate that HUSKY A will cost \$750 million out of a total Medicaid budget of \$3.2 billion. The federal government pays 50% of these costs.



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## Primary Care Case Management (PCCM)

*In early 2009, HUSKY A (Medicaid) will begin offering a new option to families and providers - Primary Care Case Management (PCCM). PCCM is a way of running Medicaid without Health Maintenance Organizations to manage care. Participants choose a Primary Care Provider (PCP) who becomes their "medical home" and who receives a small additional payment per month for coordinating care for a patient.*

*Who will be able to use this service?*

Initially, PCCM will be an option for some families participating in HUSKY A in the Willimantic and Waterbury areas whose primary care provider is enrolled as a provider in the PCCM program. By April, the

Department of Social Services plans to start expanding PCCM to the rest of the state.

*What does PCCM cost?*

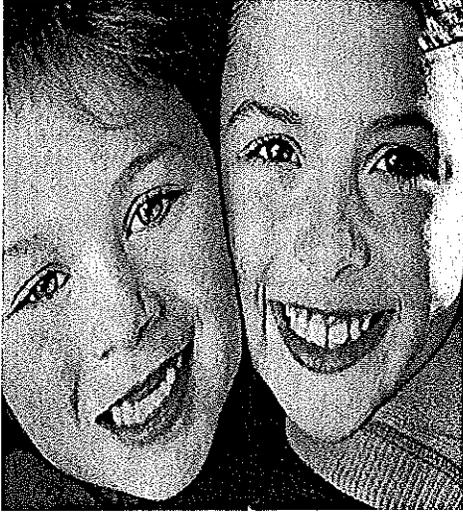
PCCM is another way of delivering Medicaid services to families. The costs will reflect Medicaid costs: providers will bill the state under the fee-for-service system and rates for the services they provide. In addition, PCPs will receive an additional fee of \$7.50 per member per month for case management services.

According to the Connecticut Health Policy Project "Primary Care Case Management, A Primary for Policymakers (March, 2007), states with PCCM programs report significant cost savings. States implementing PCCM programs have seen increases in preventive care with the costs of that care more than

offset by reductions in the costs of hospital care. PCCM-associated disease management programs have saved Virginia \$3 to \$4 for every dollar spent.

*What health care services are available through PCCM?*

The full range of Medicaid services are available through PCCM (see the information on HUSKY A in this document). PCPs are responsible for managing a patient's care, including providing preventive health services, coordinating care, and referrals for specialty care.



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## HUSKY B (including HUSKY Plus)

*HUSKY B is a companion program to HUSKY A, which provides health care coverage for children in families with incomes over 185% of the federal poverty level.*

### *Who uses HUSKY B?*

The HUSKY B program is for children only and available to uninsured children under age 19 in families with incomes above 185% of the federal poverty level.

Since February of 2008, newborns not covered under HUSKY A are automatically eligible for four months of HUSKY B coverage. Any costs are paid by the Department of Social Services for these four months.

In September, 2008, a total of 15,238 children were enrolled in HUSKY B at the following income levels:

**-Band 1 (family income over 185% but under 235% FPL) – 8,873**

**-Band 2 (family income over 235% but under 300% FPL) – 5,324**

**-Band 3 (family income over 300% FPL) – 1,041**

The cost-sharing requirements in HUSKY B rise as the family's income rises. The chart on the next page outlines these cost-sharing requirements and other features of HUSKY B.

### *What services are offered in HUSKY B?*

Children in HUSKY B are eligible for a benefit package that includes a full range of preventive services, including dental services, without any co-payments. Many other services, including inpatient care, prescription drugs, and vision and hearing examinations, are also included in the HUSKY B package.

The HUSKY Plus program was designed for children in HUSKY B who have intensive physical health or behavioral health needs. Only children in families with incomes under 300% of the federal poverty level (Bands One and Two) are eligible for HUSKY Plus. The HUSKY Plus Physical program is administered by the Connecticut Children's Medical Center's for Children with Special Needs.

Services available include: adaptive and specialty equipment; specialty medical, pharmacy and special nutritional formulas; physical, occupational and speech therapy; specialty dental and/or orthodontic services; medical and surgical supplies; hearing aids; help in coordinating specialty care and accessing services; advocacy and family support.

## HUSKY B (Including HUSKY Plus)

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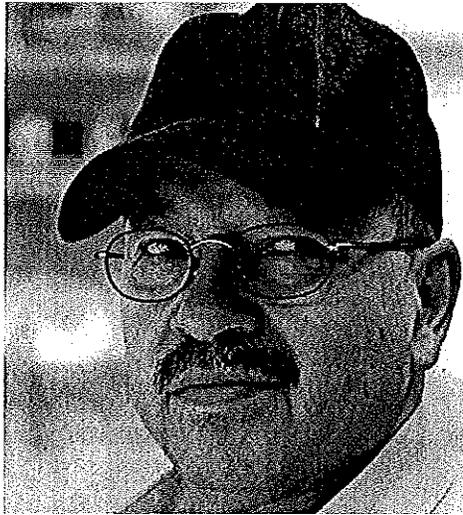
*(Continued)*

The HUSKY Plus Behavioral program was administered through the HUSKY B managed care organizations but has now been incorporated into the Behavioral Health Carve-Out.

*What does HUSKY B cost?*

In SFY 2007, HUSKY B expenditures were \$31.7 million. The budget for SFY 2008 includes \$43.6 million for HUSKY B. HUSKY B is Connecticut's SCHIP (State Children's Health Insurance Program). SCHIP is a federal program adopted in 1997 to encourage coverage of uninsured children. The federal government pays 65% of the costs of state SCHIP programs, with the state paying the remaining 35%.

Income Level	HUSKY B Plan Features
Over 185%, but at or below 235% FPL (Band 1)	<b>HUSKY Part B</b> – no premium; \$5 co-pays for non-preventive visits and \$3 co-pays for generic drugs and \$6 for name brands. Eligible for HUSKY Plus. <b>Only children under age 19 are eligible.</b>
Over 235%, but at or below 300% FPL (Band 2)	<b>HUSKY Part B</b> – monthly premium of \$30 for first child; maximum family premium of \$50; some co-payments. Eligible for HUSKY Plus. <b>Only children under age 19 are eligible.</b>
Over 300% FPL (Band 3; HUSKY Buy-In Program; family pays full cost)	<b>HUSKY Part B</b> – family pays group premium rate (\$158-\$230 per month per enrollee). \$5 co-pays for non-preventive visits; and \$3 for generic drugs and \$6 for names brands. Not eligible for HUSKY Plus. <b>Only children under age 19 are eligible.</b>



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## State Administered General Assistance (SAGA) Medical

*SAGA (State Administered General Assistance) provides health care to very poor individuals in Connecticut mainly through federally qualified health centers and hospitals. (There is a small case assistance component of SAGA which serves only about 4,500 people in the state.)*

### *Who uses SAGA Medical?*

Very poor single individuals who are not eligible for other federal or state health care programs can receive health care through SAGA. 34,790 individuals were enrolled in the SAGA medical program in July, 2008.

### *Eligibility Criteria:*

Income limits vary depending on the region of the state and number of people in the assistance unit.

### **Examples:**

\$506.22/month (\$6,074 per year) for a single individual in the Hartford area.

\$610.61/month (\$7,327 per year) for a single individual in Fairfield County

\$150 of earned income per month is disregarded in calculating eligibility for the program.

**Asset limit:** \$1,000 in total assets, except that participants can own a home and a car valued at not more than \$4,500.

Some people who are "medically need" can be eligible for SAGA by "spending down." This is an option available to people who have high medical costs but whose income is too high to qualify otherwise. To qualify as "medically need", individuals must incur sufficient medical expenses to reduce their available income to the eligibility levels of the SAGA program.

### *What does SAGA cost?*

Approximately \$165 million was spent in the SAGA program in 2007. Of that amount, \$11-\$12 million was spent on the cash assistance program. The cost of the SAGA medical program was about \$153 million. SAGA is paid for exclusively with state funding. No federal funding is currently available for the program and there is no federal health care program which serves this population. DSS is exploring a waiver which would provide some federal funding for the costs of the Charter Oak health care program and could include SAGA costs in this waiver proposal.

### *What health care services are provided through SAGA?*

SAGA is supposed to provide a range of medical and specialty services to prevent and treat health

## State Administered General Assistance (SAGA) Medical

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### *What health care services are provided through SAGA? (continued)*

care conditions. The services are provided through a managed care program based in the federally qualified health centers (FQHCs) and the hospitals.

Since 2003, the following services are no longer covered by SAGA medical:

- durable medical equipment
- podiatry
- chiropractic
- naturopathic
- physical, occupational and speech therapy.

Non-emergency transportation and vision services were eliminated in the early 2000's. In 2007, these were restored on a limited basis.

Since 2007, home health care and skilled nursing facility coverage is provided on a limited basis. SAGA participants who are being discharged from chronic disease hospitals are eligible for these services.

**2008 HHS Poverty Guidelines**

<b>Persons in Household</b>	<b>48 Contiguous States and D.C.</b>	<b>Alaska</b>	<b>Hawaii</b>
1	\$10,400	\$13,000	\$11,960
2	\$14,000	\$17,500	\$16,100
3	\$17,600	\$22,000	\$20,240
4	\$21,200	\$26,500	\$24,380
5	\$24,800	\$31,000	\$28,520
6	\$28,400	\$35,500	\$32,660
7	\$32,000	\$40,000	\$36,800
8	\$35,600	\$44,500	\$40,940
For each additional person, add	\$3,600	\$4,500	\$4,140

