

Testimony of

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Appropriations Committee

Governor's Budget Proposal
Department of Social Services

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Thank you for this opportunity to comment on the impact of Governor Rell's proposed budget on the Department of Social Services and its programs.

The Connecticut Commission on Aging is a nonpartisan state agency that is part of the legislative branch of government. We are devoted to preparing our state for a burgeoning aging population while promoting policies that enhance the lives of the present and future generations of older adults. For over sixteen years, the Commission has served as an effective leader in statewide efforts to promote choice, independence and dignity for Connecticut's older adults and persons with disabilities. As part of our statutory mandate set forth in CGS §17b-420, the Connecticut Commission on Aging reviews and comments on proposed state legislation and the budget.

As you know, the US Supreme Court's *Olmstead* decision and Connecticut state law (CGS §17b-337) require that individuals with long-term care needs have the option to choose and receive long-term care and support in the least restrictive, appropriate setting.

The Connecticut Commission on Aging has profound concerns about many aspects of Governor Rell's proposed budget for the FY '11, which make it more difficult for Connecticut to be in compliance with *Olmstead*, by eroding support for both community and institutional programs and services.

Specifically,

- **CT Home Care Program for Elders:** Governor Rell's proposal reduces funding for the Connecticut Home Care Program for Elders (CHCPE) by \$10.7 million, a 14% reduction. With no legislative proposal accompanying this reduction, the Commission on Aging is concerned that DSS will be given broad authority to make changes to this critical program.
 - The Department of Social Services estimated that the **CHCPE saved over \$101 million for the State of Connecticut in FY '08 by avoiding nursing home placements.** This program is an investment for the state.
 - The CHCPE has already been impacted by this budget crisis. As a result of the biennial budget and PA 09-5, state-funded participants have additional cost-sharing requirements, averaging over \$1800 per person annually.

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- **Reimbursement Rates:** Governor Rell's budget proposal does not provide sufficient Medicaid reimbursement rates to providers across the continuum of long-term care, threatening the very existence of services across the spectrum. Providers from nursing homes to home care receive no increase at all under the Governor's plan.
- **Home and Community Based Waivers:** Governor Rell's proposal does not open the Personal Care Assistant (PCA) or Acquired Brain Injury (ABI) waivers to individuals who are waitlisted for services. Currently, 57 people are waiting for services through PCA and about 39 are waiting for services through the ABI waiver. These programs are currently closed to intake, and wait-listed individuals will likely end up being institutionalized.
- **Respite Care:** Governor Rell's proposal reduces funding for the Statewide Respite Care Program by \$1 million, almost half of its funding. Currently, 322 individuals are on the waiting list for this program. Since last May, no new individuals have been added to this program, even when current enrollees are discontinued. This program provides critical support to informal caregivers, allowing them to keep their loved ones at home, instead of in costly institutions.
- **Medicaid Services:** The Commission on Aging is concerned about Governor Rell's proposal to adopt a more restrictive definition of "medical necessity" under Medicaid. This shift in definition could restrict enrollees' access to needed durable medical equipment and other services.
- **Prescription Drugs:** Governor Rell's budget proposes dramatic changes in Medicaid's pharmacy programs. Among the many changes to Medicaid are the following:
 - **Part D wrap-around:** Connecticut was a national leader in establishing a wrap-around program that fills in the gaps left by Medicare Part D. The Governor's proposal obliterates the wrap-around by eliminating coverage for non-formulary drugs, requiring prior authorization for psychiatric and high-cost drugs and limiting coverage of over-the-counter drugs.
 - **Cost-sharing requirements:** The proposal requires additional copayments for prescription drugs, as well as for most other medical services. Enrollment in Medicaid is restricted to extremely low-income individuals; even a small copayment can make an impact on a monthly budget, particularly for individuals on multiple medications.

In these difficult budget times, research-based initiatives, statewide planning efforts, vision and creative thinking are all needed to ensure a continued commitment to services and supports for individuals in need. The Connecticut Commission on Aging stands ready to assist our state in finding solutions to our fiscal problems, while keeping commitments to critical programs and services.

Thank you again for this opportunity to comment. As always, please contact us with any questions about this issue or other aging-related issues. It's our pleasure to serve as an objective, nonpartisan resource to you.