



Senate

General Assembly

File No. 540

February Session, 2010

Substitute Senate Bill No. 139

Senate, April 14, 2010

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 INDEPENDENT MONITORING OF THE HUSKY PROGRAM.

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

1 Section 1. (NEW) (*Effective from passage*) (a) Not later than July 1,
2 2010, and on an ongoing basis thereafter, the Commissioner of Social
3 Services shall contract with a nonprofit organization for such
4 organization to monitor the performance of the HUSKY Plan, Part A
5 and Part B. Each nonprofit organization selected by the commissioner
6 to conduct the performance monitoring shall have experience that
7 demonstrates its ability to conduct independent performance
8 monitoring of the HUSKY Plan.

9 (b) Any nonprofit organization selected by the commissioner shall
10 collaborate with the Department of Social Services Medical Care
11 Administration Division to monitor the HUSKY Plan and shall report
12 to the department on the enrollment trends, care access, utilization of
13 services and health outcomes.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
Department of Social Services	GF - Cost	Indeterminate	Indeterminate

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Department of Social Services (DSS) to contract annually with a non-profit organization to monitor the HUSKY programs. As the bill does not specify the terms of such a contract, the cost cannot be determined. DSS is currently appropriated \$218,317 in each year of the biennium for such activities.

The Out Years

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

OLR Bill Analysis**SB 139*****AN ACT CONCERNING INDEPENDENT MONITORING OF THE HUSKY PROGRAM.*****SUMMARY:**

This bill requires the Department of Social Services (DSS), by July 1, 2010 and on an ongoing basis, to contract with a nonprofit organization to independently monitor the performance of the HUSKY A and HUSKY B programs.

The selected nonprofit must (1) have experience that demonstrates its ability to independently monitor performance; (2) collaborate with DSS' Medical Care Administration Division; and (3) report to DSS on enrollment trends, care access, service utilization, and health outcomes.

The bill requires DSS to provide the organization any information it needs to do the monitoring, including data on HUSKY enrollment and encounters, Medicaid birth and other claims, and Medicaid eligibility.

DSS has provided funding for independent HUSKY monitoring since managed care organizations (MCO) began serving program recipients.

EFFECTIVE DATE: Upon passage

BACKGROUND***HUSKY Performance Monitoring***

Since the Medicaid for children program (HUSKY A since 1997) was changed from a fee-for-service to managed care model of service delivery in 1995, DSS has contracted for independent performance monitoring of the managed care organizations (MCO) with which it

contracts to serve program recipients. (The MCOs serve clients in HUSKY A, HUSKY B, and the Charter Oak Health Plan under a single contract.)

The Hartford Foundation for Public Giving has received state monitoring grants and for the last six years, it has subcontracted with Voices for Children (a nonprofit organization based in New Haven that provides research-based, public education and advocacy) to conduct independent performance monitoring. Some of Voices' activities include evaluating HUSKY outreach, health care utilization among newly enrolled HUSKY recipients, and the use of emergency rooms for nonemergency care.

According to DSS, the department separately contracts with Mercer Consulting Services, Inc. to conduct independent evaluation and monitoring of HUSKY program performance. Mercer also has provided actuarial services to help DSS set the capitation rates paid to the MCOs.

DSS also requires that the MCOs adopt their own comprehensive set of performance measures that are independently audited and certified. These measures (Healthcare Effectiveness and Data Information Set, HEDIS) allow MCOs to be compared with each other by providing both state Medicaid programs and the clients participating in them information, such as childhood immunization rates and children's access to primary care providers.

Federal Requirements for Independent Monitoring

Federal Medicaid law requires that every Medicaid managed care contract that states have with MCOs provide for an annual (as appropriate) external independent review, conducted by a qualified independent entity, of the quality outcomes and timeliness of, and access to, the items and services for which the organization is responsible under the contract (42 USC § 1396u-2(c)(2)(A)(i)). Mercer is this entity in Connecticut.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Change of Reference

Yea 15 Nay 4 (02/25/2010)

Appropriations Committee

Joint Favorable

Yea 41 Nay 15 (04/01/2010)