



Service, Education, Advocacy

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Good Evening, Chairman and members of the Appropriations Committee. My name is Dominique Thornton. I am the Director of Public Policy for the Mental Health Association of CT, Inc., (MHAC). MHAC is a 100-year old private non-profit dedicated to service, education and advocacy for people with mental health disabilities. Many of you know that private non-profit providers have been underfunded for the last 20 years receiving on average less than 1% cost of living increase. I ask you tonight to do no further harm to the private nonprofit service system. They provide efficient and effective state services and may be part of an overall solution in future years when the state's budget deficit will be even worse than it is today. Tonight, however, I would like to thank you for the opportunity to speak about why the cuts to Medicaid and Medicare Part D are so egregious and will hurt Connecticut's most needy and vulnerable populations, poor children, and the elderly, blind and disabled.

Medicaid recipients have already been subject to serious cuts under last year's budget. But this plan, further cuts would be made to Medicaid and medication access. Ironically, this will happen at a time when the state is receiving \$66 million in new federal money to prevent any further cuts. Last year, Connecticut's low-income older adults and children and adults with disabilities "shared the pain" and paid their share of cuts including:

- Elimination of coverage for medications not on a dual eligible person's private Medicare Part D plan. The state used to pick up the cost of these drugs.
- Co-pays for people on Medicare and Medicaid receiving drug coverage through Medicare Part D. This subjects them to co-pays up to \$15 per month.
- Restrictions on psychiatric medications for people receiving drug coverage through Medicaid or SAGA.

On top of these cuts, which are already causing significant harm, the Governor's mid-term budget adjustment proposals as well as her deficit mitigation plan, contain among other proposals to:

- Increase co-pays for dually eligible recipients;
- Impose co-pays on the **entire** adult Medicaid population—including adults in HUSKY A--for both medical services and drugs;
- Remove a critical protection for people who are stable on psychotropic medications
- Eliminate eyeglass coverage for adults under Medicaid;
- Suspend coverage of non-emergency dental services for adults under Medicaid;
- Restrict access to all types of health care under Medicaid by adopting a narrow definition of medical necessity.

The Governor's plan estimates a savings of \$33.2 Million in both the current fiscal year and during the next year, from these Medicaid and drug access cuts. Those cuts can be offset easily by using just half of the additional funds from the increase in federal stimulus money that was designated for the purpose of preventing further cuts to these vital programs. I attach a document to my testimony itemizing the \$15.91 Million in cuts this year and \$52.48 Million in Medicaid cuts for 2011.

I would also like to remind the committee that when Connecticut cuts gross expenditures, Connecticut loses federal matching money. A member of this committee asked why the Deficit Mitigation Plan came so close upon the heels of the Budget Adjustment. I submit to you that that each plan contains cuts upon cuts. The impact of these cuts must be analyzed individually so that the full impact of all the cuts cannot be appreciated. The Deficit Mitigation Plan includes \$140.5 Million in gross expenditure reductions that will result in a loss of \$58.6 Million in federal revenue. At a time when the legislature has prioritized the maximization of federal revenue as a matter of highest public policy, neither plan makes any sense except it will be clear that the poor and vulnerable will have less and pay more for it. Thank you.

March 1 Deficit Mitigation Plan

Proposed Health Care Cuts (Medicaid, SAGA, HUSKY)

from DSS budget unless noted

** AMOUNT SHOWN DOES NOT INCLUDE FEDERAL REIMBURSEMENTS –
ACTUAL AMOUNT OF CUTS IN MEDICAID AND HUSKY IS HIGHER THAN SHOWN
(in millions)

Program	SFY 2010	SFY 2011
SAGA FQHC payments to 90% of Medicaid rates	.26	
HUSKY B co-pays same as state employee co-pays	.04	
Mental health drugs on preferred drug list	.08	
Cost-sharing on Medicaid services	.58	
Premiums on HUSKY B – Band 1 (185% - 235% of fpl)	.18	1.15
Increased premiums on HUSKY B – Band 2 (235% - 300% of fpl)	.08	
Medicaid provider rates - 5% reduction (some exceptions)	4.26	25.81
DSH-Urban and CCMC - 10% reduction	2.13	2.13
Independent Living Centers funding	.11	
FQHC enhancements	1.44	
Vision services for adults in Medicaid	.30	
Medicaid non-emergency medical transportation	.57	
Medicare Part D co-pay requirements for dually eligible	.18	
Funding for HUSKY outreach (HUSKY Infoline – 2-1-1)	.18	
Over-the-counter drug coverage	.55	
Various services inc Brain Injury Assoc and Children's Hlth Council (HUSKY monitoring; CT Voices for Children)	.85	.91
SAGA vision and non-emergency medical transportation	.35	
Non-emergency dental services for adults in Medicaid and SAGA	1.87	22.48
Medical Necessity definition in Medicaid	.86	
School Based Health Clinics (DPH)	1.04	
TOTAL	15.91	52.48