



# STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

OFFICE OF THE SECRETARY

## ***TESTIMONY PRESENTED TO THE HUMAN SERVICES COMMITTEE March 15, 2011***

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Good morning, Senator Musto, Representative Tercyak and distinguished members of the Human Services Committee. Thank you for the opportunity to offer testimony on a number of bills before the Committee today.

### **House Bill No. 6550 (Raised) – An Act Concerning Medicaid Coverage for Smoking Cessation Treatment**

While we support the expansion of smoking cessation treatment under Medicaid, we cannot support this bill as written. Smoking cessation is expanded under the Governor's budget to include all Medicaid clients effective January 1, 2012. This bill has an effective date of July 1, 2011, which would require additional funding of approximately \$3.75 million. In addition, the last sentence under section 1 requires that coverage for Medicaid beneficiaries be limited to no more than two treatment plans per year. We are concerned that DSS' claims processing system is not set up to limit treatment plans in this manner and it is unclear if this limitation would be allowed for under federal rules. Given that the Affordable Care Act prohibits the Medicaid program from excluding coverage effective January 1, 2014, we recommend that this last sentence be stricken. If these two changes were to be made, we would support the bill.

### **House Bill No. 6551 (Raised) – An Act Concerning Policies and Procedures for the Administration of Medication to Residents of Residential Care Homes**

We oppose this bill as the intent of the legislation is to halt the recent initiative to allow administration of medication to residents of residential care homes by specially trained and qualified personnel. This initiative was included in the last biennial budget for annual savings of \$1.8 million. Although there have been significant delays in implementation due to the lack of trainers – DSS issued a Request for Applications in September 2010, but received no responses – DSS is working with other state agencies to set up appropriate training. Given the state's fiscal situation, initiatives such as this one are important in that they enable services to be provided by specially qualified providers at lower cost. In fact, Governor Malloy's budget expands this initiative to the area of home health by allowing specially trained and qualified home health aides to administer oral

and topical medications and eye drops for savings of \$4.2 million when fully annualized in FY 13. Injections and those medications specified by a physician will continue to be administered by a nurse.

**House Bill No. 6552 (Raised) – An Act Concerning the Transfer and Discharge of Nursing Facility Residents**

We support this bill, which was raised at the request of the Department of Social Services. The bill clarifies and makes more explicit current statutes that are unclear or silent in certain areas in order to provide a more comprehensive guide to nursing homes, their residents and the department. The bill is the product of a voluntary, informal work group convened by DSS and comprised of representatives from DSS, the Department of Public Health, for-profit and non-profit nursing homes, legal services and the state long-term care ombudsman. The work group was convened for the purpose of reviewing state and federal law concerning the transfer, discharge and readmission of nursing home residents in light of some difficult cases and questions that have arisen in recent years.

**House Bill No. 6588 (Raised) – An Act Concerning Domestic Violence and Child Trauma**

We support this bill, which implements the recommendations of the Speaker's Task Force on Domestic Violence concerning human services.

**House Bill No. 6587 (Raised) – An Act Concerning the Department of Social Services' Establishment of a Basic Health Program.**

We oppose this bill. The Affordable Care Act provides states the option to create a basic health program for uninsured individuals with incomes between 133 – 200% FPL who would otherwise be eligible to receive premium subsidies in the Health Insurance Exchange. This bill (1) requires DSS to establish a basic health program (BHP) on or after January 1, 2014 that includes all of Medicaid's benefits and (2) creates a BHP non-lapsing account that will be administered by the SustiNet Authority. While there may be the potential for additional federal dollars beyond the normal 50% federal reimbursement, we oppose this bill as we believe it is premature to commit the state to establishing a BHP when there is so much information that is vital in making the decision to establish a BHP that is unknown at this time. The BHP will be funded by the federal government providing the state 95% of the premium subsidies it would have provided if individuals with incomes between 133 – 200% FPL would have purchased coverage through the Exchange. Those premium subsidies will be tied to the Essential Health Benefits Package, which has yet to be developed by the Department of Health and Human Services. Because HHS is not expected to finish its work until later this year, we won't know for quite some time whether the 95% of premium subsidies the feds would have paid in the Exchange would ultimately save or cost money. In addition, the state should study whether it is

best for individuals to have a BHP available or have the ability to get subsidies through the Exchange - if the state develops a BHP then individuals with incomes between 133 - 200% FPL will not be able to get subsidies through the Exchange.

OPM's federal Exchange Planning Grant contract work should provide some data to help in this decision sometime this summer and that, coupled with guidance from HHS, should give the state the information it needs to make an informed, reasoned decision. Since a BHP can't be implemented until 2014, we believe it would be prudent and appropriate to have the legislature and the Governor address this issue in the 2012 session once there is more information in hand.

**Senate Bill No. 1146 (Raised) - An Act Concerning the Reservation of Security Deposit Guarantees to Assist Participants in the Section 8 Housing Choice Program and the Rental Assistance Program with Mobility Moves.**

While we are not opposed to this bill, we believe it is important to focus on improving the current program, instead of changing program criteria and providing guarantees to applicants that are already in stable housing. This bill expands program eligibility to include previously ineligible populations that already have housing. Currently, applicants must be homeless, in danger of homelessness or have been selected off a housing authority's waiting list and just issued their first Section 8 voucher or RAP certificate. Demand for the program is great and already strains the limits of available funding. In fact, the Governor's budget contains several initiatives to make the program more efficient while also ensuring that security deposits are only provided when warranted. We do not believe that expanding eligibility to already housed applicants is the best use of limited program funds.