

CAHS

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Testimony before the Human Services Committee
Re: H.B. 6587 – An Act Concerning the Department of Social Services’
Establishment of a Basic Health Program
S.B. 1013 – An Act Implementing the Governor’s Budget Recommendations
Concerning Human Services

Submitted by Maggie Adair, Deputy Director
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Good morning, Senator Musto, Representative Tercyak, and members of the Human Services Committee. I am Maggie Adair, Deputy Director of the Connecticut Association for Human Services (CAHS). CAHS is a 100-year-old statewide nonprofit organization that works to end poverty and to engage, equip, and empower all families in Connecticut to build a secure future.

I am here today to testify in support of **H.B. 6587, An Act Concerning the Department of Social Services’ Establishment of a Basic Health Program**. This bill would establish basic health program in accordance with the Affordable Care Act.

The state has three options to handle the adult Medicaid/HUSKY population under the Affordable Care Act:

- 1) Keep the population in the current program
- 2) Move the population into the health care exchange
- 3) Move the population into a basic health program (BHP).

Under option 1, people would stay in the current Medicaid program and the state would receive a federal match of 50 percent. This would not result in a cost savings to the state.

Under option 2, the low-income adults would be moved into a commercial health care exchange and be subject to unaffordable premiums, co-pays, and other costs. (Children would continue to be covered under HUSKY A and B.) Individuals would forego medical care due to unaffordable costs, and would end up costing the state more through use of emergency room care and more serious health issues. Moving this population into an exchange may sound appealing because health insurance companies would expand the pool and increase profits.

CAHS supports the third option because it would provide the best coverage for HUSKY parents and childless adults with incomes between 133 and 200 percent of the Federal Poverty Level (FPL). The bill language ensures that people enrolled in the BHP would receive the same services and protections as those under the current Medicaid system. The BHP would also save the state money, which is not possible by keeping them under the Medicaid program.

CAHS also supports choosing a BHP route because of the problems created by moving this low-income population into a health care exchange. The exchange works by providing the low-income participants with a tax credit to help pay for their premiums. If their annual income turns out to exceed expectations, they may need to repay some or all of the excess credits to the IRS. This could deter people from seeking health care coverage. It would also deter people from filing tax returns, which mean they would forego receiving the federal Earned Income Tax Credit (EITC), which puts critically needed money back into their pockets.

The health exchange option for low-income adults is unaffordable and could have devastating monetary consequences due to the tax credit mechanism. A basic health program provides low-income adults with the best coverage at a cost-savings to the state.

CAHS is also testifying regarding **S.B. 1013 – An Act Concerning the Governor’s Budget Recommendations Concerning Human Services**. We understand the daunting task before the Governor to close the state budget deficit. Overall, the Governor has cut the DSS budgets with a scalpel rather than with an ax and it is evident he has tried to protect the core of the safety net. However, we oppose the two provisions in the bill concerning imposing co-pays on the HUSKY population and limiting access to dental care.

In particular, we ask you to reject Section 6 of the bill. In the budget description and in presentations from OPM, we understood that the Governor was restricting dental visits for adults from two visits to one visit a year. The budget narrative states: “Under this proposal, changes will be made to the current dental benefits for adults that will reduce the overall program expenditures while maintaining services that will prevent further disease, unnecessary emergency department use and maintain appropriate oral health. Changes include limiting adult periodic exams, cleanings and bitewing x-rays to once per year for healthy adults.”

However, Section 6 of this bill gives the Commission of Social Services the power to determine dental services without legislative approval. Section 6 says: “The Commissioner of Social Services shall limit the extent of adult dental services provided under the Medicaid program to such services that may be provided within available appropriations” and then gives the commissioner authority to implement necessary policies and procedures to limit care.

Giving the DSS Commissioner this level of autonomy in determining access to dental care for adults is of great concern. We know that lack of dental care leads to many other health problems, both in children and adults. Eliminating dental care will lead to a sicker population and end up costing the state more.

Thank you for giving me the opportunity to testify today.