



House of Representatives

General Assembly

File No. 137

February Session, 2014

House Bill No. 5223

House of Representatives, March 26, 2014

The Committee on Aging reported through REP. SERRA of the 33rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT INCREASING FUNDING FOR ELDERLY NUTRITION.

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

1 Section 1. Subsection (a) of section 17b-242 of the 2014 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective from passage*):

4 (a) The Department of Social Services shall determine the rates to be
5 paid to home health care agencies and homemaker-home health aide
6 agencies by the state or any town in the state for persons aided or
7 cared for by the state or any such town. [For the period from February
8 1, 1991, to January 31, 1992, inclusive, payment for each service to the
9 state shall be based upon the rate for such service as determined by the
10 Office of Health Care Access, except that for those providers whose
11 Medicaid rates for the year ending January 31, 1991, exceed the median
12 rate, no increase shall be allowed. For those providers whose rates for
13 the year ending January 31, 1991, are below the median rate, increases
14 shall not exceed the lower of the prior rate increased by the most
15 recent annual increase in the consumer price index for urban

16 consumers or the median rate. In no case shall any such rate exceed the
17 eightieth percentile of rates in effect January 31, 1991, nor shall any rate
18 exceed the charge to the general public for similar services. Rates
19 effective February 1, 1992, shall be based upon rates as determined by
20 the Office of Health Care Access, except that increases shall not exceed
21 the prior year's rate increased by the most recent annual increase in the
22 consumer price index for urban consumers and rates effective
23 February 1, 1992, shall remain in effect through June 30, 1993. Rates
24 effective July 1, 1993, shall be based upon rates as determined by the
25 Office of Health Care Access except if the Medicaid rates for any
26 service for the period ending June 30, 1993, exceed the median rate for
27 such service, the increase effective July 1, 1993, shall not exceed one
28 per cent. If the Medicaid rate for any service for the period ending June
29 30, 1993, is below the median rate, the increase effective July 1, 1993,
30 shall not exceed the lower of the prior rate increased by one and one-
31 half times the most recent annual increase in the consumer price index
32 for urban consumers or the median rate plus one per cent.] The
33 Commissioner of Social Services shall establish a fee schedule for home
34 health services to be effective on and after July 1, 1994. The
35 commissioner may annually modify such fee schedule if such
36 modification is needed to ensure that the conversion to an
37 administrative services organization is cost neutral to home health care
38 agencies and homemaker-home health aide agencies in the aggregate
39 and ensures patient access. Utilization may be a factor in determining
40 cost neutrality. The commissioner shall increase the fee schedule for
41 home health services provided under the Connecticut home-care
42 program for the elderly established under section 17b-342, effective
43 July 1, 2000, by two per cent over the fee schedule for home health
44 services for the previous year. On and after July 1, 2014, the
45 commissioner shall increase the fee schedule for home-delivered meals
46 under the Connecticut home-care program for the elderly to cover
47 reasonable costs of providers and minimize any copayments by
48 participants in said program. The commissioner may increase any fee
49 payable to a home health care agency or homemaker-home health aide
50 agency upon the application of such an agency evidencing

51 extraordinary costs related to (1) serving persons with AIDS; (2) high-
52 risk maternal and child health care; (3) escort services; or (4) extended
53 hour services. In no case shall any rate or fee exceed the charge to the
54 general public for similar services. A home health care agency or
55 homemaker-home health aide agency which, due to any material
56 change in circumstances, is aggrieved by a rate determined pursuant
57 to this subsection may, within ten days of receipt of written notice of
58 such rate from the Commissioner of Social Services, request in writing
59 a hearing on all items of aggrievement. The commissioner shall, upon
60 the receipt of all documentation necessary to evaluate the request,
61 determine whether there has been such a change in circumstances and
62 shall conduct a hearing if appropriate. The Commissioner of Social
63 Services shall adopt regulations, in accordance with chapter 54, to
64 implement the provisions of this subsection. The commissioner may
65 implement policies and procedures to carry out the provisions of this
66 subsection while in the process of adopting regulations, provided
67 notice of intent to adopt the regulations is published in the Connecticut
68 Law Journal not later than twenty days after the date of implementing
69 the policies and procedures. Such policies and procedures shall be
70 valid for not longer than nine months.

71 Sec. 2. Section 17b-343 of the general statutes is repealed and the
72 following is substituted in lieu thereof (*Effective from passage*):

73 The Commissioner of Social Services shall establish annually the
74 maximum allowable rate to be paid by agencies for homemaker
75 services, chore person services, companion services, respite care, meals
76 on wheels, adult day care services, case management and assessment
77 services, transportation, mental health counseling and elderly foster
78 care. [, except that the maximum allowable rates in effect July 1, 1990,
79 shall remain in effect during the fiscal years ending June 30, 1992, and
80 June 30, 1993.] The Commissioner of Social Services shall prescribe
81 uniform forms on which agencies providing such services shall report
82 their costs for such services. Such rates shall be determined on the
83 basis of a reasonable payment for necessary services rendered. The
84 maximum allowable rates established by the Commissioner of Social

85 Services for the Connecticut home-care program for the elderly
 86 established under section 17b-342 shall constitute the rates required
 87 under this section until revised in accordance with this section. The
 88 Commissioner of Social Services shall establish a fee schedule, to be
 89 effective on and after July 1, 1994, for homemaker services, chore
 90 person services, companion services, respite care, meals on wheels,
 91 adult day care services, case management and assessment services,
 92 transportation, mental health counseling and elderly foster care. The
 93 commissioner [may] shall annually increase [any fee] fees in the fee
 94 schedule based on an increase in the cost of services. The
 95 commissioner shall increase the fee schedule effective July 1, 2000, by
 96 not less than five per cent, for adult day care services. The
 97 commissioner shall increase the fee schedule effective July 1, 2011, by
 98 four dollars per person, per day for adult day care services. On and
 99 after July 1, 2014, the commissioner shall increase the fee schedule for
 100 meals on wheels under the Connecticut home-care program for the
 101 elderly to cover reasonable costs of providers and minimize any
 102 copayments by participants in the program. Nothing contained in this
 103 section shall authorize a payment by the state to any agency for [such]
 104 any services in excess of the amount charged by such agency for such
 105 services to the general public.

106 Sec. 3. (*Effective July 1, 2014*) The sum of three million seven hundred
 107 thousand dollars is appropriated to the Department on Aging, from
 108 the General Fund, for the fiscal year ending June 30, 2015, for the
 109 elderly nutrition program administered pursuant to section 17b-422 of
 110 the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	17b-242(a)
Sec. 2	<i>from passage</i>	17b-343
Sec. 3	<i>July 1, 2014</i>	New section

AGE Joint Favorable

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 15 \$	FY 16 \$
Social Services, Dept.	GF - Cost	Indeterminate	Indeterminate
Department of Aging	GF - Cost	\$3.7 million	None

Municipal Impact: None

Explanation

The bill will result in an indeterminate cost to the Department of Social Services (DSS) as the bill does not specify the value of the fee increase for services provided by the Connecticut Home Care Program for Elders (CHCPE), or define "reasonable cost" for delivered meals. The bill requires the Commissioner of the DSS to annually increase rates for home-delivered meals for clients of the CHCPE and Medicaid clients who receive home health services. In addition, the bill requires the Commissioner to annually increase fees for services, for clients of the CHCPE. There is an average of 21,542 clients per month served by these programs.

The current Medicaid daily rate for a single meal is \$4.79 and \$8.76 for two meals. Not all clients served by these programs receive meals.

Secondly, the bill requires the fee paid for various services provided under the CHCPE to be increased based on the "increase in service costs". For reference, a 1% increase in the CHCPE expenditures is approximately \$3.25 million annually.

Lastly, the bill will result in a cost of \$3.7 million in FY 15 for the Department of Aging for their Meals on Wheels program. The bill does

not make any requirements on the department to continue funding the program at the increased level after FY 15.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to increase in “reasonable cost” and the cost of services.

OLR Bill Analysis**HB 5223*****AN ACT INCREASING FUNDING FOR ELDERLY NUTRITION.*****SUMMARY:**

This bill requires the social services commissioner to increase the fees for home-delivered meals, including “meals on wheels,” under the Connecticut Home-Care Program for the Elderly (CHCPE) to cover reasonable provider costs and minimize participant copayments. In practice, the current fees are \$4.75 for a single hot meal and \$8.76 for one hot meal and one cold meal.

The bill requires, rather than allows, the commissioner annually to increase fees in the fee schedule he must establish for “meals on wheels” and the following services: homemaker, chore person, companion, respite and adult day care, case management and assessment, transportation, mental health counseling, and elderly foster care. The increase must be based on the increased service costs.

The bill appropriates \$3.7 million in FY 15 from the General Fund to the Aging Department for the Elderly Nutrition Program, which provides congregate and home-delivered meals to people age 60 and older and their spouses statewide. (The program is primarily funded by state and federal money.)

It also eliminates obsolete language.

EFFECTIVE DATE: Upon passage for the fee provisions; July 1, 2014 for the appropriation.

BACKGROUND***CHCPE***

CHCPE is administered by the Department of Social Services’

Alternative Unit through contracts with three area “access” agencies to manage and coordinate client care in five regions of the state.

Elderly Nutrition Program

The Aging Department operates this program, which provides meals either at congregate sites, known as “senior community cafes,” or delivers them to the homes of people too frail to cook or go to the congregate sites. Disabled people living in housing facilities that are congregate meal sites can also receive meals. Meals are free, although voluntary contributions are encouraged.

Related Bill

HB 244, reported favorably by the Aging Committee, requires the social services commissioner annually to increase the fees, under CHCPE, for providing home care services to persons with disabilities by at least 2%.

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 12 Nay 0 (03/11/2014)