Connecticut Department of Social Services
Making a Difference

Testimony before the Human Services Committee

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Good morning, Senator Slossberg and Representative Abercrombie and distinguished members of the Human Services Committee. My name is Roderick Bremby and I am the Commissioner of the Department of Social Services. I am pleased to be before you today to testify on behalf of the Governor's bills HB 5052, AA Implementing the Governor's Budget Recommendations for Human Services Programs and HB 5051, AA Improving Transparency of Nursing Home Operations. In addition, I offer written remarks on several other bills on today's agenda that impact the department.

Governor's Bills

HB 5052, AA Implementing the Governor's Budget Recommendations for Human Services Programs

This proposal implements various provisions of the Governor's recommended SFY 2015 Budget Adjustments. Provisions are as follows:

Section 3 of the bill prioritizes eligible veterans for the Security Deposit Guarantee Program.

Section 4 increases the number of available slots under the CT Home Care Program for Adults with Disabilities pilot from 50 slots to 100. The program currently serves 50 individuals with neuro-degenerative conditions such as MS, ALS, Parkinson's disease and Alzheimer's disease. The current waiting list for the program is over 3 years. Persons served under this state-funded program are supported with services that average about 25% of the cost of nursing home care. This allows persons to remain at home and supports our rebalancing efforts. These clients could quickly turn to Medicaid as a payment source for nursing home placement if they do not receive home and community-based services.

Sections 5 - 11 ensure that scheduled cost-of-living and rate increases for various programs and service entities are only provided when there is a corresponding appropriation to support such an increase.

The department supports this legislation.

HB 5051, AA Improving Transparency of Nursing Home Operations

This bill requires that any chronic and convalescent nursing facility that receives state Medicaid

funding shall submit, as an addendum to annual cost reports, a profit and loss statement from each related party that receives more than $10,000 a year for goods and services. Additionally, the nursing facility shall submit information on direct care staff, including regular hours and wages, overtime hours and wages, and employee health and welfare benefits to be reported on a separate line item of the cost report.

With the long-term care industry in the midst of a significant rebalancing effort consistent with the Strategic Plan to Rebalance Long-Term Services and Supports (www.ct.gov/dss/rebal), the department is interested in improving the reporting requirements for nursing homes. This effort is intended to assist the state in its current rebalancing efforts and to enhance the state's ability to measure quality, acuity and economy of the long-term care system.

The department supports this legislation and feels that it will provide valuable information for assessing the overall health and financial stability of nursing facilities. The direct care staff information is especially important as the department explores moving to an acuity-based rate methodology. Under this model, facilities that are providing more acute care will be reimbursed at a higher rate to compensate for the intense level of care. The expertise level, as well as the number of hours being committed to the care, directly relates to the acuity level in that advanced level of care requires a more skilled workforce.

Other legislation impacting DSS:

SB 104, AA Providing Financial Relief to Nursing Homes for Uncompensated Care

This proposal requires the department, upon request, to make advance payments to a nursing facility when the facility is providing uncompensated care to a Medicaid long-term care applicant whose application has been pending more than 90 days, or when payments have not been made within 30 days of such application being approved. The proposal also provides an exemption from the resident day user fee for nursing facilities providing uncompensated care as defined in the previous sections.

The proposal does provide a mechanism by which the department will recover said advance payments within 30 days of the application being approved or denied and payment has been made.

The department cannot support this proposal as additional funds to provide advance payments were not provided in the Governor's budget. While it is understood that the advance payments will be recovered, it is unclear as to the fiscal impact of such a proposal and the time frame in which such funds can be recovered. A significant level of outstanding advances could lead to a deficiency in Medicaid. Since these advance payments are not eligible for federal reimbursement, the full cost of the advances would be borne by the state General Fund. In addition, since the state has elected to net fund the Medicaid account, only those funds needed have been appropriated to the account. Any disruption to that determined allocation would again lead to potential deficiencies.

Additionally, the department has, and will continue to, adjust its long- term care application

processes to support more timely application processing. For example, we designated four offices as application processing hubs in October. These hubs are responsible for processing all long-term care applications within a designated catchment area. Each application is assigned to a specific worker, who serves as the point of contact. We expect that this configuration will result in more timely eligibility determinations. We are also currently reviewing long-term care application processing best practices within the four hubs, as well as from other states, to gain greater efficiencies.

We cannot support this legislation due to the fiscal concerns described above as we continue to improve our processes.

SB 105, AAC Social Innovation Investment

The department is supportive of this proposal and commends the chairs for bringing it forward again this session. The department proposed a similar piece of legislation last year that unfortunately was not acted upon. It is our hope that this legislation will provide the basis of redesigning the social services funding and delivery system.

Social Innovation Investment is a pioneering concept that couples private sector investment and financing with public sector service delivery. This model supports performance-based payments as well as accountability, efficiency and critical funding that is not available in the state's General Fund.

We would like to offer our expertise to the committee as they continue to develop and move this proposal forward. It is our hope as well that this proposal will be expanded to include multiple human services agencies and projects.

SB 106 AAC Improving Employment Opportunities through Education

This proposal would permit two-year, four-year and high school graduate equivalency degrees as allowable Jobs First Employment Services (JFES) activities that could be counted in the recipient's first 20 hours of employment activities for Temporary Family Assistance (TFA) recipients permissible under federal law.

The authority to implement such a policy was permitted under PA 10-133 and is the current practice of the Connecticut Department of Social Services, in collaboration with the Connecticut Department of Labor, which provides oversight to daily case management services for TFA/JFES recipients. While it duplicates policy that is already in effect, the department is not opposed.

HB 5137 AAC the Eligibility of Children Enrolled in the HUSKY Plan

This proposal would permit the department to take advantage of a federal Medicaid option that allows for the continuous enrollment of children in the medical assistance program regardless if the family experiences a change in income.

The department supports this concept and recognizes the importance of continued access to health care for children. In an effort to help ensure continuous medical eligibility for children in Connecticut, the department has requested a delay in the processing of Medicaid renewals for most HUSKY A, HUSKY B and HUSKY D households, which would allow their current medical coverage to continue until 2015. Also, beginning in 2015, the review process will evolve into an ongoing "passive renewal" process which will allow for an automatic renewal of coverage on an annual basis. This will occur as long as the department is able to verify, on behalf of the recipient, through federal and state verification sources, that the information we have on file is accurate. If the department is unable to obtain the required verifications electronically, the head of household will have the opportunity to provide the information needed to process the renewal without a lapse in coverage. If there is a lapse in coverage, individuals currently have the ability to apply through our shared system with Access Health CT for an immediate determination of medical coverage eligibility, including up to 3 months of backdated coverage.

The department is committed to exploring this option, along with the Office of Policy and Management, to determine the feasibility and the fiscal implications of implementing such a policy.

Thank you for the opportunity to testify before you today. I would be happy to answer questions you have on any of the legislation before you.