

Testimony before the Appropriations Committee

On the Governor's proposed Biennial Budget

03 06 15

Velandy Manohar, MD

Good Afternoon, Sen. Bye, Rep. Walker and members of the Appropriations Committee.

My name is Velandy Manohar, MD. I am a registered voter in the Town of Haddam.

I am here to testify on the Governor's Proposed Biennial Budget.

I am opposed to the proposed cuts to the Dept. of Mental Health and Addiction and the DPH Budget. I am especially opposed to the cuts in funding of School Based Health Centers.

We absolutely have to Protect Vital MH Agencies and services by eliminating the proposed DMHAS cuts.

1. **Cutting \$450,000 from the Legal Services/CT Legal rights Project Budget is like using a meat cleaver** because it will cut through the muscle to the bone by eliminating money well spent because the investment saves the state money [\$806 per case] by avoiding unnecessary hospitalization costs such as an ER visit [\$2152 per visit] These cuts will reduce the stretched staffing capacity by a drastic 50% which will undermines CLRP capacity to represent on other issues.

My patients with serious mental illness have required strong, legally expert, committed advocates of their rights and creative mediators of their complicated needs and issues. **I urge you to peruse the detailed report on Chronic Homelessness in Mother Jones March and April 2015 entitled "Room for Improvement" by Scott Carrier. It supports the Housing first Initiatives.** There is a useful infographic page- entitled The Price of Living on the street. **Some important data: Osceola County Florida Tracked 37 homeless people. They were arrested 1,250 times over ten years and were incarcerated for 61,896 days. The total costs over 10 years \$6,417,905.** It is also instructive that the minimum wage which is the usual income of persons with severe mental illness cannot begin to pay the rent per month even if all of it was used just for rent. **The Housing First program in Denver which provided stable residence for persons with severe mental illness saved \$17 858 per person over two years in these costs- Detox, Incarceration, Emergency Room, OP and IP care. In LA a person served by Supportive Housing programs cost the City \$605 a month compared to the chronically homeless person cost the City five times more \$2,897.** It is very important at many levels for our state to fund the services that can greatly advance the recovery goals of our most disabled individuals while saving funds that can make it possible to increase capacity and expand caseloads to reduce barriers to access.

2. **Cutting the funding of Regional Health Boards by \$585,000 would eliminate the RMHB.** The staff members have brought in both volunteers [500] collectively. The Board's collaboration help bring in \$23 million in federal funds to our State. I know their collaborative work in their communities have afforded important liberating growth opportunities for many otherwise marginalized members of our communities who are also treading the path of Recovery. For 40 years the staff and volunteers have played a vital role as liaison between state, local communities and service providers to assess needs, evaluate services and educate communities on a variety of nuts and bolts issues as well as supporting recovery initiatives that can facilitate the recovery and growth of persons with SMI [Severe mental

illness] and over time reduce stigma and improve self-esteem, strengthen autonomy and stabilize living arrangements.

I am very much opposed to this specific cut to the DPH Budget especially. School Based Health Centers

1. **It is a hugely self-defeating plan to cut nearly \$2 million over the next two years** from the School Based Health Centers Budget. This will result in drastic reductions in direct services, [which are already seriously inadequate] cutbacks in face time with appropriate staff, and a unjustifiable dismantling of many new and expanded programs in the Alliance districts that opened as a direct result of the Governor's Education Reform Initiative. **These cuts appear to be a total disavowal of the recommendations of the Sandy Hook Commission. I wonder who missed the memo.** I remember the year that Sandy Hook tragedy came to pass, the Governor's budget included serious cuts in the DMHAS and DCF budgets. I pointed this out at a Public Hearing arranged by Hon. Rep Larson in Hartford. I am at a loss to understand these hefty individual and collective cuts imposed on the DPH, DMHAS, and DCF budgets.

I wonder if the Report was carefully considered because the draft was released on Feb 12, 2015 and the final Report was reportedly shared with the governor on March 3, 2015. In Appendix A, Subsection A there is list of recommendations to improve the delivery of care and provide appropriate and timely, safe and effective care to our children affected by serious MH disorders.

The Commission members appeared to have endorsed the provisions of CT Children's behavioral Health Plan and PA 13-178. Subsection B-Barriers to access- has important information about the hazards faced by children and parents who are in desperate need of Behavioral health services.

I recommend the Report of SAMHSA funded National Center for MH Promotion and Youth Violence Prevention Education Development Center, Health and Human development division **entitled, " Realizing the Promise of the whole school approach to Children's Mental health – A practical guide for Schools"**

In addition the problems with use of restraints, isolation and scream rooms is still of major concern. If we are to achieve the goal of the July 2013 Report of the Office of Protection and Advocacy for Persons with Disabilities and the Office of the Child Advocate "No More "Scream Rooms" in Connecticut Schools. I have been involved in the efforts to achieve this goal since 01 12 2012. This is a summary of the scope of the problem from Pro Publica June 25, 2014 There is no national count of children who, like Carson, are injured during restraints or seclusions. But at least one state is keeping its own tally. [We working together made this possible in 2012. I remember working with Sen. A. Stillman.] **Connecticut schools reported 378 holds or isolations that resulted in injuries to children in the 2013 school year. Of those, 10 were classified as "serious" and required medical attention beyond basic first aid.** Restraints in Connecticut schools usually lasted less than 20 minutes, **but nearly 200 of them continued for more than an hour. A quarter of the students who were restrained experienced six or more holds during the year. Nineteen students were restrained more than 100 times.** **The State also found that 40 percent of disabled students who were restrained had an autism diagnosis. The same was true for half of those secluded.**

In addition to ProPublica and the Report from Office of Protection and Advocacy for Persons with Disabilities and Office of Child Advocate, the Am. Association of School Administrators issued their report from the point of view of School Administration entitled, " Keeping Schools Safe-How Seclusion and restraint protects students and school personnel March 2012"

I want to urge these investments be made for:

1. Supportive Housing: an evidence based practice to protect the housing stability of persons with severe mental illness which generates major savings in Medicaid expenses.
2. Ensure the allocation of funds to support DMHAS Caseload growth in Proven Programs, including Young Adult Services, Inpatient Discharge Services, and Community services to Avoid Nursing Home expenditures,[Medicaid Waiver and Money follows the Person in need]

I want to point out the adverse effects of Child Poverty [It is 32% in the US] and the pernicious problem of dropouts from school that must be addressed proactively. There is need for secure and robust funding year over year to support a bolder and broader approach to education to maximize the beneficial results of early childhood education of children below and children between 3 and 5. "As indicated in the report, the overall message from the research suggests positive cognitive and social impacts on the lives of low-income children who participated in quality education programs prior to entering formal schooling (see recent reviews by Blau and Currie 2006; Waldfogel 2006). Moreover, to the extent that disadvantaged children benefit more from programs than more advantaged children, the provision of such programs can play an important role in closing achievement gaps (see, for example, Magnuson and Waldfogel 2005; Waldfogel and Lahaie 2007). Economic Policy Institute Communities in Schools <cis@cisnet.org>

Velandy,

I want to share with you a sobering statistic: For the first time in recent history, a majority of public school children in the United States are living in poverty.

This has big implications: poverty is a major predictor of success in school, which in turn is a major predictor of success in life. Starting at the back of the pack, it gets harder and harder for at-risk kids to catch up. The wraparound supports model used by Communities in Schools, however, connects existing community resources with children who need them the most. As a result, more than 90 percent of our students who receive one-on-one care stay in school.

We've prepared this special advocacy edition of our eNews to help you take action to bring wraparound supports to many more children in need. Right now Congress is considering re-authorization of the Elementary and Secondary Education Act (ESEA). We're calling for inclusion of funding for wraparound supports and evidence-based solutions to help poor students stay in school. I hope you will raise your voice on behalf of students nationwide.

Thank you for all you do,

Dan

TAKE ACTION For At-Risk Kids

When children come to school hungry, homeless, in need of medical care or without proper clothing and school supplies, they are far less likely to succeed than their affluent peers.

Right now we have an unprecedented opportunity to reach more students in need with the proven supports Communities In Schools provides.

As Congress considers re-authorization of ESEA, we are calling on them to include funding for wraparound supports to help poor students stay in school, for a dedicated grant that will empower educators to engage with CIS, and to prioritize funding for programs with proven results.

You can make a big difference in the lives of struggling students by writing your member of Congress today. Visit www.helpkidsnow.org to learn more.

Take Action Today >>

LEARN About the Problem

In addition to these references I am attaching a page with multiple references. **[List of reference Materials]** There are four sections. The first section is compelling data that has to be addressed, the second section has many attachments that pertain to the antecedents including social family, economic factors [constituting the SDOH] and psychopathology of the Children's MH disorders. The third section pertains to Seclusion, Restraints and Scream Rooms and the **LAST but not least is the section comprises the responses of the stakeholders affected by the Budget Allocations that have to be reviewed and highlight cuts in the opinion of many including key stakeholders cannot be allowed to stand.** VM] Since these sources of feedback is vital to the decision making process I have created a separate attachment entitled "Budget Cut proposals that are ill advised and cannot be allowed to stand." VM

The top Line includes what follows from the APA Head Lines, the Healthy CT 2020, State Health Improvement Plan [Please scroll down to the end of Page 5] and two items I sent to the Governors Commission and three Legislative Sub-Committee- one is on the MH crisis confronting children and their families and the other is talk the obvious Truth to Power- **“That's more than 7,000 children injured badly enough to be hospitalized,”** said Dr. John Leventhal, the study's lead author and a professor of pediatrics at the Yale School of Medicine. **“All are unnecessary hospitalizations because preventing gun violence is something that can actually be done.”** In addition to children hospitalized for gun injuries, another 3,000 die before they can make it to the emergency room, **meaning guns hurt or kill about 10,000 American children each year**, Leventhal said. **The fifth attachment addresses the interaction between the two essential stakeholders in the efforts of the State and collaborating organizations seeking to promote the wellbeing and health of our children. It is entitled four identifiable traits of a good teacher.** I seek the development of strategic relationship between the parents the tax payers and the children whose safety, growth and success is what motivates us to have these hearings and debates. It is about money but it also about being very pragmatically focused on achieving goals developed through collaborative efforts and due diligence. There are two attachments which are two CDC reports on Prevalence of MH disorders and the Costs of MH care. The report from **CDC: “Suicide rate for US girls, young women rising faster than for young males” This is an alarming but not unexpected report.** It offers insights that we need to develop a coherent and comprehensive plan for Budget Allocations that support agencies and strengthen services to achieve the best results in a sustainable and cost effective manner. **There are two other reports from the CDC- one on Prevalence and the other on costs of providing care.**

The next section has many attachments that pertain to the antecedents including social family, economic factors [constituting the SDOH] and psychopathology of the Children's MH disorders. **There is an important Report on Housing, Homelessness and health. It was published in the March 3 2015 issue of the JAMA.** The editorial states, **“More than half a million persons are homeless in the United States on a given Night. The Study by Stergiopolous et al suggests that there is a solution to what has been a difficult and emotionally**

distressing problem in the United States and Canada and around the world. Clinicians who provide care for Homeless persons are aware that they can order a variety of reimbursable tests and treatments for them, **except the one Intervention that most likely would make all the difference-supportive housing.** There are **many conditions Medicine cannot cure; Chronic Homelessness Does Not need to be one of them.**

In the midst of all the evidence based decision-support material I have added four songs. [One is a poem - the Children's Hour.] The other three are 1. Children have to be carefully taught from the Pulitzer Prize winning song from the South Pacific by Rodgers and Hammerstein, the second is Stephen Sondheim's song, "Children will listen" and the third is Stephen Stills song, "Teach your children." I inserted these songs and the Poem by Henry Wadsworth Longfellow, "The Children's Hour" to remind each of us and educate us to review and suitably remedy our shortcomings which may be the most important influences in the path of growth, wellbeing and enlightenment we all seek and hope for our children.



Customized Briefing for Dr Velandy Manohar

May 17, 2013

Leading the News

Advertisement

CDC: Mental Illness In Children Costs \$247 Billion Annually.

Yesterday, the Centers for Disease Control and Prevention issued a [report](#) (pdf) revealing that mental illness in America's youngsters may cost as much as \$247 billion a year and may affect up to one in five children. The report did not generate network television coverage. Instead, coverage appears primarily on wire sources and medical websites.

[Bloomberg News](#) (5/17, Lopatto) reports, "Mental illness in children costs \$247 billion annually, a figure increasing along with the number of kids hospitalized for mood disorders, substance abuse and other psychiatric disorders," according to a report released May 17 by the Centers for Disease Control and Prevention in a special supplement to the Morbidity and Mortality Weekly Report. "As many as one in five children ages three to 17 years old has a mentally illness." In addition, "the rate of children hospitalized for mood disorders increased 80 percent from 1997 to 2010, the report said, citing a US study from that year."

[McClatchy](#) (5/17, Pugh) reports, "The new CDC report, 'Mental Health Surveillance Among Children,' summarizes federal data and research from 2005 through 2011 to provide the agency's first comprehensive snapshot of the nation's emotionally troubled youth." The CDC's "report comes one week after National Children's Mental Health Awareness Day on May 9 and as President Barack Obama prepares to host a June 3 mental health summit at the White House in response to recent efforts to halt gun violence." Thomas

Frieden, MD, “director of the CDC will address the report’s findings in a keynote speech at the 18th annual Rosalynn Carter Georgia Mental Health Forum in Atlanta on Friday.”

The [Atlanta Journal-Constitution](#) (5/17, Williams) reports, “Attention-deficit/hyperactivity disorder, also called AD/HD, was the most commonly parent-reported diagnosis of children ages three to 17 at 6.8 percent, followed by behavioral or conduct problems, anxiety and depression, according to the study.” Three years ago, “suicide was the second leading cause of death among children ages 12 to 17. Experts say these problems are on the rise likely because of several factors, including better awareness and diagnosis, increasing rates of poverty that put children at risk, environmental toxins and other factors.”

The [NBC News](#) (5/16, Fox) “Vitals” blog reports, “For teenagers, addiction to drugs, alcohol and tobacco are the most common issues,” the report found. In a statement, Frieden said, “This first report of its kind documents that millions of children are living with depression, substance use disorders, AD/HD and other mental health conditions.” He added, “We are working to both increase our understanding of these disorders and help scale up programs and strategies to prevent mental illness so that our children grow to lead productive, healthy lives.”

[Modern Healthcare](#) (5/17, Zigmond, Subscription Publication) reports, “The CDC worked with other federal agencies such as the Substance Abuse and Mental Health Services Administration, the National Institutes of Health and the Health Resources and Services Administration on the report.”

[MedPage Today](#) (5/17, Gever) reports, “Ironically, the report appeared on the eve of the American Psychiatric Association’s unveiling of a new classification system, DSM-5, slated for this Saturday at the group’s annual meeting.” MedPage Today notes, “Many of the diagnostic categories for childhood mental disorders will be substantially revised in [the] DSM-5, including autism spectrum and behavioral and conduct disorders.”

Also covering the story are [Reuters](#) (5/17, Abrahamian), the [Kaiser Health News](#) (5/17, Gold) “Capsules” blog, [HealthDay](#) (5/17, Goodman), and [Medscape](#) (5/17, Harrison).

AMA Morning Rounds

Good Morning Dr. Velandy Manohar. Here are today's top stories. Friday, March 6, 2015

Leading the News

CDC: Suicide rate for US girls, young women rising faster than for young males.

The AP (3/6, Stobbe) relays that a report released March 5 by the CDC reveals that “the suicide rate for girls and young women in the US continues to rise, at a pace far faster than for young males.” The reason for the steady increase in female suicides remains unclear, but “one expert said it may be because more girls and young women are hanging themselves or using other forms of suffocation.”

The NBC News (3/6, Fox) website reports that CDC researchers, led by suicide expert Thomas Simon, PhD, found that “during 1994-2012, suicide rates by suffocation increased, on average, by 6.7 percent and 2.2 percent annually for females and males, respectively,” they wrote in the CDC’s Morbidity and Mortality Weekly Report.

MedPage Today (3/6, Gever) reports that “during the same period, rates of firearm-related suicide fell from 11 to less than six per 100,000 in males, and from 1.5 to 0.7 per 100,000 among females.” For both genders, “poisoning (the only other specific method reported) remained much less common and largely unchanged during the study period.”

HealthDay (3/6) reports, “Because copycat behavior is common among vulnerable teens, the CDC said the media inadvertently contributes to ‘suicide contagion.’” To date, “at least 50 studies worldwide

have shown that prominent or sensational coverage of suicides increases the odds that people already at risk will take their own lives, [a CDC] news release explained.” In addition, the agency “said that social networking sites often become memorials to the deceased and should be monitored for statements that others are considering suicide.”

The Top line on the page of List of references in the form of attachments includes what I believe a foundational document- CT State Health Improvement Plan which is part of the Healthy CT 2020 which is an integral part of the National Healthy People 2020 Initiatives and the National Prevention strategy.

Of the 7 key areas I urge you to revisit Focus on these areas especially namely 1, 5, 6, and 7 while you diligently review the Budget that is before you.

I want to highlight this particular concern which is emblematic of the planning and more importantly the funding and implementation process. This is a quote from the Child Health and Wellbeing subsection of the first Focus area. **“My concern is that there is not enough awareness in the community about how we can work together so that people are aware of children with special needs and how to interact with them so that there are not circumstances or situations where they may not be able to communicate and/or are misunderstood.” (Hartford)**

There is much to done. We don’t need to start at the Model T and debate the cuts instead of developing a Budget that will harness the existing resources, expand the capacity of agencies and services necessary to achieve the targets of healthy CT 2020 and hold hearings to determine what new services need to be developed and funded.

The State Health Improvement Plan focuses on these seven areas.

1: Maternal, Infant, and Child Health

2: Environmental Risk Factors and Health

3: Chronic Disease Prevention and Control

4: Infectious Disease Prevention and Control

5: Injury and Violence Prevention

6: Mental Health, Alcohol, and Substance Abuse

7: Health Systems

I have submitted great many reports to the Sandy hook Commission to Federal and State hearings on mental health concerns and budget priorities affecting our friends, neighbors and family members all across this state and the nation and in lands far from the safety and comfort of our homeland service, our valiant Service members and Veterans. I am willing to share these with anyone who seeks great familiarity with volume of information available that bear on the concerns we are all committed to address by engaging with one another today, the next day and as long as it takes to get us moving towards our mutually agreed upon targets.

Velandy Manohar, MD

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List of Reference Materials



Sandy Hook- Four key reports about Children



Sandy Hook -Guns hurt or kill 10000 child



APA Office of Communications- Sch



Four identifiable Traits of good teacher



CDC-Prevalence of MH disorders among Child



CDC- Cost MH disorders among Child



APA Communications- Suicide Rates for US C



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Action Institute Power Blog- fifty percen shco



Washington Post- Low Income children a



Early childhood education- Context, G&



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Early Childhood Education - I.docx



Homelessness, Housing First and hea



Children will listen- Stephen Sondheim.doha



South Pacific- You have to be carefully ta



Sandy Hook- The Children's Hour.docx



Dr MLK Jr Teach your Children.docx

Scream Rooms, Seclusion and Restraints.



Scream rooms-Response VM-2



Scream Rooms- Summary Report July



Scream rooms-ProPublica.doc



AASA-Keeping-School s-Safe.pdf

Budget Allocations and Cuts

The Report of Fiscal Policy Center at CT Voices of Children.



bud15impactgovbudg
etfy16.pdf

<http://ctmirror.org/2015/02/24/providers-advocates-call-malloy-medicaid-cuts-short-sighted/>
<http://hub.universalhealthct.org>

<http://www.courant.com/health/hc-hospitals-healthcare-budget-connecticut-gov-dannel-malloy-20150218-story.html>

<http://www.ctvoices.org/sites/default/files/bud15impactgovbudgetfy16.pdf>

<http://ctmirror.org/2015/02/24/providers-advocates-call-malloy-medicaid-cuts-short-sighted/>

Providers, advocates call Malloy Medicaid cuts short-sighted* [Four more reports follow including the Report of Fiscal Policy Center at the CT Voices for children. VM]

By: ARIELLE LEVIN BECKER | February 24, 2015 View as "Clean Read"

Sheila Amdur: "Eliminating plan to coordinate care for costly clients is "extremely short-sighted"

Medicaid is one of the state's largest expenses, and a big target for savings in Gov. Dannel P. Malloy's proposed two-year budget. But health care providers and social service advocates say the way Malloy would cut Medicaid is financially short-sighted and threatens to undermine recent progress in a program that has added thousands of new members as part of the federal health law, expanded the network of providers willing to treat them, and reduced its per-client costs.

One head-scratcher, critics say, is Malloy's proposal to ax a pilot program to coordinate care for some of the highest-cost Medicaid clients, an initiative that even the administration's budget documents say could generate long-term savings.

"That one makes no sense," said Sheldon Toubman, an attorney with the New Haven Legal Assistance Association.

Medical groups and client advocates also say Malloy's proposal to cut more than \$225 million in payments to health care providers over two years could make it harder for Medicaid clients to find providers to treat them and could lead to job losses or home care agency closures.

ALSO READ

- [Medicaid clients, seniors, health care providers face cuts under governor's plan](#)

About 34,000 parents would lose Medicaid coverage. Seniors would have to pay more for home care. The state would abandon a plan to better coordinate care for the costliest Medicaid clients and most health care providers that treat Medicaid patients would face a pay cut. It is all part of Gov. Dannel P. Malloy's aim to save hundreds of millions of dollars through cuts to health care and social service programs.

- **The Malloy solution: Deep cuts, new tax revenue, deferred promises**

The biennial budget Gov. Dannel P. Malloy intends to propose today would erase a two-year, \$2.5 billion shortfall with \$1.6 billion in spending cuts and \$900 million in additional revenue, an attempt to say he is equitably spreading pain while keeping a pledge not to raise taxes. Malloy, a Democrat re-elected last fall, is proposing a three-pronged approach to his second fiscal crisis in four years: deep spending cuts, combined with additional revenue raised by deferring promised tax cuts and boosting tax receipts without changing rates.

“We now have a Medicaid program with 700,000 individuals in it,” said James Iacobellis, senior vice president for government and regulatory affairs at the Connecticut Hospital Association. **“Today, its network needs to be stronger than it was yesterday.”**

And advocates and some legislators have panned Malloy’s proposal to lower Medicaid eligibility for pregnant women and parents of minor children, which is forecasted to cause about 34,000 people to lose Medicaid coverage and save the state \$126.7 million over two years.

Budget director Benjamin Barnes pitched it as one of the easier cuts during a briefing to legislators last week, noting that those cut from Medicaid would qualify for federally subsidized coverage through the state’s health insurance exchange. But legislators rejected a similar proposal two years ago, and some signaled that they’re still wary of the idea.[I totally refute this assessment as well]

“There’s a lot of these issues that I personally can’t live with,” Rep. Catherine Abercrombie, co-chairwoman of the Human Services Committee, told Barnes.

Malloy’s budget proposal is essentially an opening offer to legislators, who will formulate their own proposal in the coming months. But while some indicated they find the cuts unpalatable, whatever alternative they come up with will have to address projected budget deficits of \$1.3 billion in the next fiscal year and \$1.4 billion the year after.

'The more you spend, the more you save'

Connecticut’s Medicaid program covered 723,769 people last month. **Overall, the program costs more than \$6 billion per year, although the state's net spending is closer to \$2.4 billion since the federal government reimburses Connecticut for more than half its Medicaid expenses. (For that reason, cutting \$100 in Medicaid spending generally saves the state \$50 or less, since it would mean forgoing the federal matching funds.)**

But spending is not distributed evenly among Medicaid clients. Nearly half the costs cover the care of about 13 percent of the clients – people with disabilities and about 96,000 seniors, many in nursing homes. During the 2014 fiscal year, their care cost \$2.74 billion – nearly \$1 billion more than the cost of covering more than 450,000 children and parents in the program.

The **demonstration project** Malloy plans to eliminate would have attempted to find ways to better provide care to some of those in the highest-cost group, a subset of about 57,000 people who are eligible for both Medicare and Medicaid. **Many are seniors with dementia or younger adults with serious mental illness, addiction and complex**

medical problems. And although their care is expensive, it's often poorly coordinated and inadequate, leading policymakers to believe there's room to save money while better addressing their needs.

State officials and others have been working for the past three years to get federal approval for the pilot program.

“To arbitrarily take it out to make the budget look better I think is extremely short-sighted,” said Sheila Amdur, an advocate for people with mental illness who has been involved in developing the program.

“It’s the highest-cost population in Medicaid,” Amdur added. “And it’s a population that is least likely to see any reduction or amelioration of spending or improving of health outcomes unless there really is very focused care coordination and coordination among the providers.”

Barnes acknowledged that the project could have produced savings, but said that in a budget that required significant cuts, funding a new program was a low priority. The demonstration project would have cost the state \$25.5 million over the next two years.

“The more you spend, the more you save,” Barnes said. “I believe that in the long run, that kind of thing is worth doing, but we don’t have the resources to make those long-term investments of that type right now.”

And the program’s potential for savings was downgraded after federal officials rejected the state’s request to waive certain Medicare payment restrictions for the project, according to the state Department of Social Services. Spokesman David Dearborn said negotiations with the federal government over the program have been challenging.

“Although the demonstration was eventually expected to provide greater efficiencies in various areas and, ultimately, long-term savings from additional rebalancing and preventable inpatient stays, the savings will not be as significant as may have been originally envisioned,” Dearborn said.

Medicaid

How the program breaks down by coverage group, enrollment, cost and Malloy's proposals

Coverage group	Enrollment (Jan. 2015)	Monthly per-person cost (4th quarter 2014)	FY 2014 spending	Malloy's proposal
Parents and children	458,674	\$349	\$1.77 billion	About 34,000 would lose eligibility
Seniors, people with disabilities	96,134	\$2,467	\$2.74 billion	Care coordination plan won't start; some clients will have more drug copays
Adults without minor children	168,961	659	\$1 billion	Nothing specifically for this group

DEPARTMENT OF SOCIAL SERVICES

Provider rate cuts: Limiting access to care?

Unlike insurance companies, Medicaid has an advantage in controlling spending: It sets the rates it pays health care providers without negotiations. And one way to save money is to reduce the prices paid for care.

But in almost all cases, Medicaid rates are already lower than what private insurers and Medicare pay. In 2013, for example, Medicaid paid Connecticut hospitals an average of **67 cents for every dollar of cost** (private insurers, by contrast, paid \$1.44). **A study commissioned by the association representing human service providers found that Medicaid rates for services like mental health and substance abuse treatment are already below the cost of care.**

And in part because of the low rates, Medicaid patients have historically struggled to find providers to treat them, particularly specialists.

The Department of Social Services has made progress in expanding the Medicaid provider network in recent years, particularly among primary care providers and dentists, aided by increased payment

But provider groups and advocates say Malloy's proposed rate cut – \$225 million over two years – could weaken the network for a program that covers close to one in five state residents.

Malloy's proposal would spare primary care providers and community health centers, and leaves the decision about whose rates would drop to DSS. Dearborn said that decision hasn't been made yet.

Leaders of provider groups wasted little time forecasting what a cut could mean.

"Everybody feels threatened," said Mag Morelli, president of LeadingAge Connecticut, which represents nonprofit long-term care providers.

"That kind of policy will unquestionably undermine quality and jeopardize good-paying nursing facility jobs," said Matthew Barrett, executive vice president of the Connecticut Association of Health Care Facilities, which represents nursing homes.

In addition to the general rate cut, Malloy's proposal calls for a \$20 million annual cut in payments to nurses for administering medications to patients at home or in other community settings.

"If this rate cut happens I think we're going to definitely see agencies walking away from the Medicaid program," said Deborah Hoyt, president and CEO of the Connecticut Association for Healthcare at Home. Other home care agencies will likely close, she said, because they don't have enough non-Medicaid clients and can't get by on Medicaid rates.

Ken Ferrucci, senior vice president of government affairs at the Connecticut State Medical Society, said the physicians' group is relieved primary care rates would be untouched, but has concerns about specialists.[I totally endorse this concern. I have had trouble finding specialist for my patient in my part of Mx. County. VM]

"Enticing specialists into the Medicaid system has been difficult to begin with," he said.

Barnes told legislators that he didn't know how the provider community would react to the rate cuts, and said the administration is still determining how the cuts would be made.[This is very alarming. What efforts did he make to ascertain the facts from the past ten years of medical care in CT. VM]

"Clearly, preserving access to care through a variety of providers is the highest priority in setting up those," he said. [What he has planned is very counter to this stated motivation. VM]

Malloy's proposed Medicaid cuts

The federal government reimburses the state for more than half its Medicaid costs, so the amount the state would save for a given cut is generally less than the total amount of spending that would be eliminated. The third column shows the state's savings from a cut, while the fourth column shows the total loss of federal and state funding that would occur. (For example, cutting provider rates would save the state \$90 million, but would be a \$225 million cut to providers once federal funds are factored in.)

What	Who it affects	2-year state savings	2-year Medicaid spending cut
Lowers income limit for eligibility	About 34,000 parents and pregnant women	\$126.7 million	\$253.4 million
Cut payments to health care providers	Health care providers; primary care, community health centers exempt	\$90 million	\$225 million
Eliminate increased payments tied to inflation	Nursing homes, facilities for people with developmental disabilities	\$24.7 million	\$49.4 million
End care coordination plan for dual eligibles	About 57,000 poor seniors and people with disabilities	\$25.5 million	\$51 million
Cut payment rates for nurses	Nursing agencies that administer medication to people at home	\$20 million	\$40 million
Limit pharmacy reimbursement	Pharmacies	\$13 million	\$39.5 million
Eliminate funding pool for low-cost hospitals	Hospitals	\$10.26 million	\$30.2 million
Cap ambulance payment rates	Ambulance companies	\$9.4 million	\$18.8 million
Cut spending money for nursing home residents	People who receive Medicaid coverage for nursing home care	\$2.1 million	\$4.2 million
Reduce performance-based payments	Home care contractors, organizations that administer Medicaid	\$1.7 million	\$3.4 million
More drug copays for Medicaid clients with Medicare	Poor seniors, people with disabilities who have both Medicaid & Medicare	\$170,000	\$170,000

OFFICE OF POLICY AND MANAGEMENT

Eligibility restrictions

Advocates, legislators and the state medical society are also concerned about Malloy's proposal to reduce Medicaid eligibility for parents and pregnant women, from about \$40,000 for a family of three to just under \$28,000. **(The current income limit for pregnant women is higher, but Malloy's plan would lower it to the same limit as other parents.)**

Those who no longer qualify for Medicaid could buy federally subsidized insurance through the state's health insurance exchange, Access Health CT. **[This is a very irresponsible unhelpful throw away remark. VM]**

Legislators rejected a similar plan in 2013, concerned that poor parents wouldn't be able to afford even deeply discounted insurance. While Medicaid is free and covers dental and medical care, exchange plans have premiums, don't cover dental care and, for many of the parents, would have **copayments and deductibles of up to \$800.**

Doctors are concerned that even if poor parents buy insurance, many won't be able to afford the copays or deductible and will avoid getting care, Ferrucci said. **[I fully endorse this based on my patients experiences. VM]**

And Sharon Langer, advocacy director at Connecticut Voices for Children, said causing parents to lose Medicaid coverage could make it **less likely that their children would be covered.**

But Barnes told legislators it was one of the easier cuts to recommend. “There is available to them highly subsidized insurance, subsidized by someone else,” he said. [I cannot understand his ill-informed casual approach to budget allocations and refute his rationale for the deep cuts. VM]

“I’m not going to deny that it may be somewhat negative,” Barnes added, “**But there are real cost savings, and I think the cost savings are so great compared to the potential costs that it’s worth your strong consideration.**” [NO wrong, wrong, wrong! Three strikes- you are out!- Here are the referees who have weighed in already VM]

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<http://hub.universalhealthct.org>

<http://www.courant.com/health/hc-hospitals-healthcare-budget-connecticut-gov-dannel-malloy-20150218-story.html>

<http://www.ctvoices.org/sites/default/files/bud15impactgovbudgetfy16.pdf>

Report of Fiscal Policy Center at the CT Voices for children



bud15impactgovbudg
etfy16.pdf

CT Voices of Children: Keeping Kids covered: Continued Federal Funding for CT Husky Program

<http://www.ctvoices.org/sites/default/files/files/CCKF/2014%20Oct%209/KeepingKidsCovered100914.pdf>

There is especial danger to CT. Residents if the Federal funding is not continued beyond Sept 2015. Even without Federal Funds, CT will be required to continue Husky A through 2019. The impact on the current recipients of Husky B coverage will be placed at grave risk.

Key tables are on page 6, 7, and 8. It establishes definitions of eligibility in terms of Income levels and size of family and delineates the cost of premiums and OOP pocket expenditures and if there are caps.

The proposed changes in Income limits can cause the cost of insurance premiums and OOP costs to exponentially escalate so much so the cost accrued to the Band 3 family [Income above \$ 77036, namely > 323% of FPL] will be roughly double the premium of Anthem Silver Direct Access Standard [\$ 314 v \$ 177.86 per child per month] and the annual OOP cost is uncapped, for the Band C family compared to the Anthem plan which has an annual Cap of \$6,250.

This is totally unacceptable. Husky programs should function as a Safety net not as a springboard to financial ruin and adverse health outcomes and much more increased costs because of the barriers that preclude preventive health interventions and coordinated, comprehensive care.VM