

Legal Assistance Resource Center

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Testimony before the Appropriations Committee on the budget of the Department of Social Services

by Jane McNichol, Public Policy Advocate
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Good evening. I am Jane McNichol, Public Policy Advocate for the Legal Assistance Resource Center of Connecticut, the policy advocacy branch of the legal services network in the state. We represent the interests of very-low income residents of the state.

I am here tonight to testify on the proposed budget for the Department of Social Services. As I am sure you have heard from many people, the Governor's proposed budget is problematic for a variety of reasons. The Governor's general approach is troubling. Consolidating line items and giving authority to state agencies to make allocation decisions among personnel costs and multiple line items dissolves transparency and accountability. This approach will also bring enormous instability to the operations of community agencies affected by this change. There will be no clear timeline for decisions and very complicated paths to applying for and accessing needed funds.

This is an unusual, unnecessarily complicated and opaque way to decide how to spend the state's money and provide state services. It moves important decisions about public policy out of the public arena. How we spend our money is the surest indication of what we consider important as a state. Decisions about how we spend our money should be made transparently and with the advice of representatives of the people who will be affected by these decisions.

Even more troubling is the insistence on looking exclusively to cuts in state services and in the ranks of the people who provide those services to balance the budget.

Social services have been cut again and again. A single 5% cut does not sound like a lot but a series of seemingly small cuts without any restoration of funding can cripple a program. One example from the DSS budget: **The Safety Net program** provides short-term, usually vouchered assistance to families who have timed off or otherwise lost access to cash assistance through the Temporary Family Assistance program, Connecticut's family welfare program.

In 2014, \$2,681,000 was spent on this program.

By the end of fiscal year 2015, spending had fallen to \$2,564,000.

Spending for 2016 is expected to be only \$2,463,000.

This drop of \$218,000, or 8%, does not reflect a reduction in the need or in the cost of the services provided. It reflects our recent history of budget cuts and rescissions. It is evidence of our consistent failure to evaluate needs and provide the necessary funds to meet those needs.

A more balanced approach would look beyond cuts to an equitable revenue system that requires those who are benefiting the most from the recovering economy pay their fair share.

There are two specific cuts proposed in the DSS budget that are troubling:

- **A further limitation on orthodontia coverage for children in the Medicaid program is proposed.** Last year, we limited coverage to children with a score of 26 on the Salzmann Handicapping Malocclusion Index. (Previously, coverage was available with a score of 24.) This year, the proposal is to increase the threshold to a Salzmann Index score of 29. The budget narrative states that services will be provided if prior authorization is requested and it is found that the services are medically necessary. These provisions are less comforting than they sound. They create additional barriers to service, which some providers may not have the time to overcome and which some parents may not know can be overcome. There is some concern that the limitations adopted last year have reduced services to children in real need because of the added hurdle of prior authorization and the need to prove medical necessity. We should at a minimum study the impact of the change made last year before limiting access to needed services further.
- Last year, **burial benefits for indigent people** were reduced from \$1,800 to \$1,400. The Governor is proposing reducing this benefit to \$1,000, as he proposed last year. The cost of burials is not going down. This is a burden on low-income people that you rejected last year. I urge you to reject it again this year.

Finally, I want to take a moment to urge you to oppose the Governor's proposal to eliminate the **review of Medicaid waiver applications by the Appropriations and Human Services Committees**. This proposal is found in Governor's Bill 17, which implements the DSS budget provisions.

Legislative review of waiver applications by committees of cognizance is a hard-won protection of the Legislature's control of Medicaid policy. Without this review, either the Administration will be able to set Medicaid policy without serious legislative oversight, or the details of each waiver proposed during the session and included in the budget will have to be negotiated during the session. This will slow the process for adopting a budget and will lead to less flexibility in the development of waivers. The system of committee review after the full legislature authorizes the submission of a waiver application allows DSS to discuss potential waivers with federal authorities and develop a detailed application based on these discussions. Committee review, rather than full legislative review, allows the waiver to move forward without waiting for the legislature to be in session but preserves legislative oversight by the committees most knowledgeable in the subject matter area. It is my hope that the Human Services Committee will reject this attempt to limit legislative oversight of the Medicaid program. If this proposal reaches the General Assembly for consideration, I urge you to reject this proposal and maintain your oversight of Medicaid policy.

Thank you for your work on these important issues.