



# STATE OF CONNECTICUT

## OFFICE OF POLICY AND MANAGEMENT

### ***TESTIMONY PRESENTED TO THE APPROPRIATIONS AND HUMAN SERVICES COMMITTEES April 11, 2016***

*Benjamin Barnes  
Secretary  
Office of Policy and Management*

#### TESTIMONY SUPPORTING THE CONTRACTING OUT OF CARE MANAGEMENT SERVICES UNDER THE ACQUIRED BRAIN INJURY WAIVERS

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Good morning, Senators Bye and Moore, Representatives Walker and Abercrombie, and distinguished members of the Appropriations and Human Services Committees. Thank you for the opportunity to offer testimony in support of the Department of Social Services' request to amend the Acquired Brain Injury (ABI) waivers.

There has been a fair amount of conflicting information regarding the department's decision to contract out care management services under the ABI waivers and its impact and, as a result, I appreciate the opportunity to be here today to discuss this further.

My understanding is that one of the reasons for the earlier rejection of the amendment was the lack of a cost-benefit analysis. This was unfortunate for several reasons. First, DSS already successfully uses privately-operated care management services under other Medicaid waivers. Second, it was clear from a quick analysis that the procurement of care management services would result in lower costs to the state than if DSS were to hire additional staff. And third, when the requirements of section 4e-16 of the Connecticut General Statutes were brought to DSS' attention, the department committed to following the appropriate process (as outlined under subsection (p) of section 4e-16) by completing a cost-effectiveness evaluation after the completion of the bidding process and before a contract was awarded. Nevertheless, the amendment was rejected and the potential for filling any new waiver slots was put on hold. In January, the department prepared a more formal cost-effectiveness calculation that was reviewed by my office which confirmed that the contracting out of care management services will result in less cost than if the state were to move forward with hiring 17 additional social workers.

There have also been questions as to why - if there are recognized staffing shortages - vacant positions aren't simply filled. As you know, as part of the Administration's efforts to address the state's fiscal situation, there has been a strict restriction on hiring, which precludes the department from filling all of the positions they might otherwise seek to fill. It is important to point out, however, that even if the department were to fill 17 social worker positions in order to provide the needed level of care management services, it

would take over a year for the new staff to be fully trained and able to absorb a full caseload. In the meantime, the department would continue to be out of compliance with CMS' quality performance requirements, which is not acceptable. Annual reassessments for ABI participants need to be done on a timely basis and the procurement of a qualified contractor to provide care management services will allow this to happen in an expeditious and cost-effective manner.

Aside from addressing CMS' quality concerns, contracting out for these services will ensure that the department is providing conflict-free care management services (i.e., an individual providing care management should not also be providing the services under the care plan). This is needed to comply with the federal Balancing Incentive Program, through which the state has received more than \$77 million over a four year period to increase access to non-institutional long-term services and supports.

Having gone through two rounds of deficit mitigation this fiscal year and with a looming deficit next year, I know you are all well aware of the state's fiscal situation. It is my job to bring the budget into balance. These efforts include instituting a strict restriction on hiring and working with agencies to live within reduced funding levels. As a result, we cannot fill every slot on the waiver, just as we cannot fill every slot under the Department of Developmental Services waivers. Although funding remains very tight, once care management is in place under the new contract, the department's intent is to add one person per month over the course of the program year.

It is important that individuals receive needed care management services. The amendment before you today will ensure that they do.

Before I conclude my remarks, I would like to take a minute to thank the dedicated and hardworking staff that administer the waiver programs. They operate the program with integrity and deserve our utmost respect.

Thank you again for the opportunity to discuss the proposed change to the ABI waivers. I respectfully request that the Committees take favorable action on the waiver amendments and would be happy to answer any questions you may have.