



*Written Testimony before the Aging Committee
Submitted by the Department of Social Services
February 23, 2021*

S.B. 418 AN ACT INCREASING THE PERSONAL NEEDS ALLOWANCE FOR CERTAIN LONG-TERM CARE FACILITY RESIDENTS AND AUTHORIZING A DEDUCTION FOR CONSERVATOR EXPENSES FROM THE AMOUNT OF INCOME A MEDICAID RECIPIENT APPLIES TO THE COST OF CARE.

Sections 1 and 2 of the bill propose to increase the personal needs allowance (PNA) of residents of long-term care facilities from \$60 to \$72.75 per month.

State Medicaid agencies are required to reduce their costs using available beneficiary income for coverage of institutional services provided. Residents of nursing facilities pay their Social Security and other unearned income towards their cost of care with the exception of a monthly PNA and other allowable deductions, such as medical premiums.

As shown below, the current level of \$60 is above the average for the states in the Northeast and is \$30 above the federal minimum.

State	Monthly PNA
Connecticut	\$60
Maine	40
Massachusetts	73
New Hampshire	70
New Jersey	50
New York	50
Pennsylvania	45
Rhode Island	50
Vermont	48
Northeast Average	\$54

Increasing the PNA as proposed is expected to result in annualized costs of approximately \$1.2 million (\$2.4 million after factoring in the federal share). The Department opposes increasing the PNA as proposed due to the negative fiscal impact it will have on the state budget.

Section 3 of the bill mandates that the Commissioner of the Department of Social Services (DSS) amend the Medicaid State Plan to permit a qualified deduction for compensation of a conservator, Probate Court filing fees, premiums for probate bonds, and other fiduciary expenses approved by the Probate Court. The Commissioner would be required to calculate the total amount deducted from applied income under this section during the preceding fiscal year and inform the Probate Court Administrator of that amount. The Probate Court would then transfer funds to the Department equal to one-half of such amount for that year.

As the state Medicaid agency, DSS is required by federal law to reduce costs to the program by applying an institutionalized Medicaid enrollee's income toward the cost of care after adjusting for any qualified deductions. Qualified deductions consist of: (i) medical expenses; (ii) maintenance needs of the individual's spouse or family; and (iii) an established personal needs allowance.

Although the Department is aware that the Centers for Medicare and Medicaid Services (CMS) has permitted Massachusetts and Rhode Island to include conservator fees as allowable applied income deductions, those states allow very limited deductions for expenses related to the individual receiving *medical treatment*, including applying for Medicaid. Given the broad language of the proposed bill that would allow payment of all conservator fees with a floor of \$125 per month without limitation, it is unclear whether CMS would approve a Medicaid State Plan Amendment (SPA) written to conform to language contained within the raised bill.

In addition, in order to implement subsection (c) of Section 3 of the raised bill, which requires DSS to calculate the total amount deducted from applied income during the preceding fiscal year, DSS would need to substantially re-program and re-configure the agency's computer eligibility system to recognize, track and report on such deductions. Since it is not clear if CMS would approve the SPA, such system changes could not begin until the SPA was officially approved by CMS. In the interim, DSS would need to create a manual process to apply, track and report these deductions, which would not be possible within current operational resources and budgetary constraints.

Section 4 of the bill mandates the baseline conservator compensation of \$125 per month be deducted from applied income. DSS interprets this provision to mean that every month, regardless of the services performed or fees approved by the Probate Court for a conservator, DSS is required to deduct at least \$125 from the Medicaid recipient's applied income. It is unclear what should happen if the Probate Court approves less than the baseline amount when a conservator files with the Probate Court a request for conservator fees and expenses.

Section 4 also requires that DSS approve fees above the baseline amount if approved by the Probate Court. This requirement would place additional administrative and fiscal burdens on DSS by requiring staff to recalculate a Medicaid recipient's applied income at various times during the year.

Finally, the bill would increase the percentage of costs the state would be liable to pay for nursing home services provided to a Medicaid recipient. It is anticipated that this increase would result in a significant cost that is not provided for within current budgetary assumptions.

For these reasons the Department opposes Senate Bill 418.

S.B. 896 AN ACT CONCERNING LONG-TERM CARE SERVICES

The Department of Social Services commends the Aging Committee for its attention to the need for strategic planning for Medicaid long-term services and supports. The Department shares this commitment, but wants to note to the Committee two major strategic planning tools that already fulfill these aims.

First, the Department respectfully directs the attention of the Committee to the long-standing work of the Governor's Strategic Plan to Rebalance Long-Term Services and Supports, which includes detailed cost and utilization projections for long-term services and supports, with emphasis on home and community-based services, housing, workforce, hospital and nursing home discharges, and nursing facility modernization. The latest version of this plan, released in January 2020, is posted at this link: [Report \(Horizontal\) \(ct.gov\)](#).

Additionally, Connecticut General Statutes section 17b-337 requires the Connecticut Long-Term Care Planning Committee to prepare a long-term care plan every three years. The most recent plan, titled "Balancing the System: Working Toward Real Choice for Long-Term Services and Supports in Connecticut," was released in January 2019: https://portal.ct.gov/-/media/OPM/HHS/LTC_Planning_Committee/LTC-Plan---2019_Final-VersionR.pdf?la=en.

Thank you for the opportunity to comment on Senate Bill 896.

S.B. 898 AN ACT CONCERNING A STUDY OF MEDICAID-FUNDED PROGRAMS

This bill requires the Commissioner of the Department of Social Services to conduct a study of Medicaid programs to assess factors pertinent to quality of care, gaps in care, and necessary actions to comply with the Affordable Care Act (ACA).

The Department's Division of Health Services is already charged with these functions on a standing basis, regularly reporting to the legislature on quality of care (through such means as annual reports on HEDIS measures, measures of the effectiveness of intensive care management, and consumer and provider satisfaction), access and necessary actions to comply with the ACA (documented by a compliance tracking tool; 100% of mandated provisions have been fulfilled).

For detailed recent, publicly available information on HUSKY Health (Connecticut Medicaid and the Children's Health Insurance Program) quality and access, please see the links below.

- Extensive overview of HUSKY Health medical services:

https://www.cga.ct.gov/ph/med/related/20190106_Council%20Meetings%20&%20Presentations/20200910/COVID-19%20Impact%20and%20CHNCT%20Support.pdf

- Extensive overview of HUSKY Health behavioral health services:

https://www.cga.ct.gov/ph/med/related/20190106_Council%20Meetings%20&%20Presentations/20200910/Impact%20of%20COVID-19%20Pandemic%20on%20Behavioral%20Health%20Services%20Utilization%20&%20Other%20Indicators-%20Beacon.pdf

- Extensive overview of HUSKY Health dental services:

https://www.cga.ct.gov/ph/med/related/20190106_Council%20Meetings%20&%20Presentations/20201211/CT%20Dental%20Health%20Partnership%20Presentation.pdf.

The Department also provides detailed monthly reports – see this link for our posted materials: <https://www.cga.ct.gov/ph/med/> – to the Medical Assistance Program Oversight Council (MAPOC), which is charged under statute with a broad range of oversight activities that encompass the goals of SB 898.

In 2019, the Department also formally updated its Access Monitoring Review Plan, which documents access in core areas of Medicaid coverage. This analysis is available at this link: <https://portal.ct.gov/-/media/Departments-and-Agencies/DSS/Medicaid-Access-Monitoring-Review-Plan/AMRP-Triennial-Update.pdf?la=en>. Additionally, the Department regularly tests access and member satisfaction with the program through examination of complaints and grievances, consumer experience of care surveys, and “mystery shopper” surveys. Related, enrollment and participation of providers, both primary care providers and specialists, continues to increase over time.

Finally, in the Spring, Governor Lamont issued Executive Order 6 (<https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-6.pdf>) that authorized the Department to establish an Advisory Board that will support the identification of ongoing areas of focus for improving quality, controlling cost growth, and developing a public facing data dashboard of HUSKY Health information. This will help the Department build on the considerable information that has been shared with the legislature, enhance transparency of our operations, promote health equity, and engage stakeholders in determining which data points are of greatest interest and value to decisions around future direction for our Medicaid program.

While the Department does not oppose the general concept of this bill, we respectfully suggest that the legislation is duplicative and unnecessary and would divert resources the Department needs to focus on the provision of services.

S.B. 900 AN ACT INCREASING FUNDING FOR AGING IN PLACE INITIATIVES

This bill proposes a new appropriation of \$2.0 million to the Department of Social Services to support expanded access to the Connecticut Home Care Program for Elders, and \$1.0 million to the Department of Aging and Disability Services to expand access to the Alzheimer's disease respite care program.

The Connecticut Home Care Program for Elders (CHCPE), which includes both a Medicaid waiver and a state-funded portion, is currently open to all eligible individuals, without a waitlist, and has adequate funding to support anticipated caseload growth. For those reasons, the Department does not see the need for additional funding for the CHCPE. The Department defers to its sister agency, the Department of Aging and Disability Services, to comment on the Statewide Respite Care Program.

H.B. 6456 AN ACT ESTABLISHING A TASK FORCE TO PROTECT SENIOR CITIZENS FROM FRAUD

This bill would establish a task force to study ways to protect senior citizens from fraud. Specifically, the task force would review whether persons offering planning advice to Medicaid applicants should be required to be elder law attorneys.

While the Department of Social Services welcomes the opportunity to serve on such task force, if so established, it is not readily apparent that a formal task force and report are required to evaluate this issue. The Department notes that state employees (who are not attorneys) acting within the scope of their state employment may provide important information to Medicaid applicants and recipients (for example, concerning conservatorship, methods to pay for nursing home services, the transfer of a home to a spouse, etc.) and is concerned that any ultimate legislation may have unintended consequences that could hamper the ability of Department staff to readily provide such information to beneficiaries of the Department's programs.

The Department appreciates this opportunity to provide comment on the raised bill.

H.B. 6457 AN ACT CONCERNING NURSING HOME SERVICES

The Department of Social Services (DSS) acknowledges the leadership of the Aging Committee in seeking data on anticipated future need for nursing home beds. That said, the Department has previously produced a framework and associated reports to fulfill this goal.

To help provide local context for how the need for long-term services and supports (LTSS) is shifting over time, and to help plan for the future, the Department partnered with Mercer Human Services Consulting to update a previous set of town-level data (first issued in 2012 and updated in 2014 and 2019), focusing on current and projected supply and demand for LTSS. The Department can offer further periodic updates on a rolling basis to fulfill the goals of this bill.

The data encompass nursing home services, community-based services and associated workforce. This update is intended to help enable policymakers, municipal officials, service providers, advocates and families to understand how changes in public demand, as well as strategies implemented by the state, will affect how LTSS will be provided and utilized.

In brief, this study determined that:

- DSS Medicaid initiatives, including Money Follows the Person, have significantly increased the proportion of Medicaid-funded home and community-based services in Connecticut's LTSS system.
- Governor Lamont has proposed, and the legislature has adopted, a number of new initiatives that are also anticipated to support increased use of home and community-based services.
- By incorporating these and other initiatives into modeling going forward, Mercer projects that Connecticut will increase the utilization of home care in Medicaid from the 2017 level of 67.6% to 82.3% by 2040.
- This will mean a continued trend of less need for nursing home beds. The demand for nursing home care is expected to be reduced by nearly 6,000 beds over the period from 2017 to 2040.

Please see the full report at this link:

<https://portal.ct.gov/-/media/Departments-and-Agencies/DSS/Health-and-Home-Care/Medicaid-Long-Term-Care-Demand-Projections/Main-report--CT-LTC-Demand-Report-Narrative.pdf>

And please see this link for the detailed town level data:

<https://portal.ct.gov/-/media/Departments-and-Agencies/DSS/Health-and-Home-Care/Medicaid-Long-Term-Care-Demand-Projections/Town-by-Town-appendices-CT-LTC-Demand-Report-Appendices.pdf>

Thank you for the opportunity to comment on House Bill 6457.