



# DEPARTMENT OF SOCIAL SERVICES

## AGENCY PURPOSE

The Department of Social Services (DSS) serves families and individuals who need assistance in maintaining or achieving their full potential for self-direction, self-reliance and independent living. In cooperation with other state agencies, municipalities and community-based organizations, the

department administers, coordinates, plans, delivers and funds approximately ninety health and human service programs to support eligible children, youth, families, adults, elderly and people with disabilities.

## RECENT HIGHLIGHTS

The DSS appropriation for the FY2007-09 biennium included significant changes in the health care programs operated and administered by the agency. The changes included new programs, enhancements to existing programs, structural program changes and significant funding increases for participating health care providers. Other major highlights included enhancements in rehabilitation services, programs for the elderly and child support enforcement services.

targets a relatively underserved age group – adults age 18 to 64 with multiple sclerosis, Parkinson's disease or other neurological degenerative diseases that cause them to need professional help in managing services to keep them independent.

## NEW PROGRAMS

### *Charter Oak Health Plan*

Governor Rell's Charter Oak Health Plan was approved by the General Assembly and began accepting applications in July 2008. Charter Oak offers a credible health coverage package to uninsured adults from age 19 through 64. The state subsidizes the cost of the premiums for enrollees with income at or below 300% of the federal poverty level. As of January 1, 2009, almost 3,400 Connecticut residents were enrolled in the Charter Oak Health Plan.

## PROGRAM ENHANCEMENTS

### *HUSKY Eligibility Increases*

Effective July 1, 2007, eligibility for parents and caregivers of HUSKY A eligible children was increased to 185% of the federal poverty level. In addition, on January 1, 2008, eligibility for pregnant women was increased to 250% of the federal poverty level.

### *Money Follows the Person*

The federal Money Follows the Person Rebalancing Demonstration Grant encourages states to reduce their reliance on institutional care for Medicaid recipients by transitioning individuals out of institutional settings and into community settings with appropriate supports. As a result of the grant, DSS will receive enhanced federal Medicaid reimbursement for the first year of an individual's transition. DSS plans to transition up to 700 individuals over a five-year period, with the first transitions scheduled to occur in the first quarter of calendar year 2009. Money Follows the Person complements ongoing state initiatives to provide community supports to individuals who are at risk of institutionalization or who are institutionalized and transitioning into the community.

### *Rate Increases for Medical Providers*

During the 2007 legislative session, Medicaid/HUSKY rate increases for inpatient services totaling \$72.6 million annually were approved for Connecticut hospitals. Rate increases were also provided for physicians, home health providers, clinics, dental, vision, personal care assistants, chronic disease hospitals, and emergency and non-emergency transportation. These annualized increases, along with the increases for inpatient services, total \$161.1 million for FY2009. Additionally, Medicaid rates for both nursing homes and facilities that serve the mentally retarded (ICF/MRs) were increased by a total of \$39 million annually. This results in an ongoing annual investment in provider rates totaling over \$200.0 million.

### *Home Care Pilot*

DSS has begun a pilot program aimed at helping adults with disabilities avoid expensive and confining nursing facility care by living in the community with cost-effective support services. The new Connecticut Home Care Program for Disabled uses homemakers, visiting nurses and home health aides and other key services to bring up to 50 people with neurological disabilities out of nursing homes or prevent them from being institutionalized in the first place. The program

### *Hospital Hardship Fund*

In FY2008, the department awarded ten hospitals approximately \$30 million from the state's Hospital Hardship Fund. These one-time hardship grants are designed to help the state's non-profit hospitals meet extraordinary expenses and prevent shortfalls that could threaten patient care. These funds are in addition to the \$11.4 million that was distributed in FY2007.

### *HUSKY Enrollment of Newborn Children*

As part of Governor Rell's HUSKY enrollment initiative, the department has worked with Connecticut hospitals to streamline enrollment of newborns into the HUSKY program. If a premium applies, the cost for the first four months is borne by the state to help ensure that coverage will be in

place for the child. All Connecticut hospitals are now contracted to participate in this important initiative.

### ***HUSKY Outreach Initiative***

As part of the Governor's HUSKY enrollment initiative, the department contracted with community, regional and statewide organizations, along with Priority School Districts, to increase public outreach and education about the availability of HUSKY health coverage. More broadly, the department is working with the Department of Education and local school districts statewide to implement legislation that requires districts to identify students without health coverage and connect their parents with the HUSKY program.

## **OTHER SIGNIFICANT INITIATIVES**

### ***Pharmaceutical Services***

Beginning February 1, 2008, pharmacy services for HUSKY A, HUSKY B and State Administered General Assistance (SAGA) clients were "carved out" of managed care. By creating a single pharmacy benefit structure that takes advantage of the cost containment strategies already in place under Medicaid and administering pharmacy services from one system, the department will be better able to control expenditures, while increasing the transparency of pharmacy services and expenditures for clients and providers.

### ***Dental Services***

Effective September 1, 2008, all dental services were also carved out of HUSKY. An administrative services organization has been contracted to manage dental services for the SAGA, HUSKY and Medicaid fee-for-service populations. This carve-out was part of the settlement of the *Carr v. Wilson-Coker* litigation that also resulted in an increase of \$20 million in pediatric dental fees, effective April 1, 2008.

### ***Authorization for Primary Care Case Management***

In 2007, the General Assembly authorized the department to begin a pilot Primary Care Case Management (PCCM) program as an alternative to enrollment of the HUSKY population in capitated managed care organizations (MCOs). Under PCCM, a primary care provider (i.e. a physician, advanced practice registered nurse, or federally qualified health center (FQHC)) is paid a per member per month amount to coordinate care for the enrollees. Claims processing and other administrative supports such as client notices are provided directly by the department. After meeting with an advisory group consisting of advocates and providers for over a year, the department selected two pilot areas, Waterbury and Windham, for the start of the program. Beginning in January 2009, notices will be mailed out to the HUSKY A eligible clients who have been identified as patients of the five group practices and two FQHCs who have contracted for the initial phase. Clients who elect PCCM will be enrolled effective February 1, 2009.

### ***Re-Procurement of Managed Care Organizations for HUSKY and New Charter Oak Health Plan***

In January 2008, the department issued a combined request for proposals for HUSKY A, HUSKY B and the Governor's Charter Oak Health Plan. Collectively, these programs provide access to affordable health care for children and

adults through age 64, regardless of income, with lower-income individuals and families receiving financial assistance in the form of state-subsidized premiums. Three managed care organizations were selected to provide services, and it is anticipated that by February 1, 2009, all HUSKY A and HUSKY B members will be enrolled in one of the three plan options or Primary Care Case Management, if they live in one of the two initial PCCM pilot areas.

### ***Connect-Ability***

The department's Bureau of Rehabilitation Services continues to strengthen and market Connect-Ability, an initiative designed to bring Connecticut employers together with job seekers with disabilities. The cornerstone of the initiative is a technical assistance center designed to meet the needs of employers and job seekers alike. A toll-free number (1-866-844-1903) provides access to someone who can help a caller navigate the system, and a website ([www.connect-ability.com](http://www.connect-ability.com)) organizes information on a variety of topics relative to disability and workplace adequacy. As of December 2008, there were 745 calls to the toll-free number and approximately 27,000 unique visitors to the website.

### ***Diversion Grant Summary***

In federal fiscal year 2007 the Administration on Aging issued twelve Nursing Home Diversion Modernization Grants (NHDMG) designed to keep people out of institutions, in the community and off of Medicaid. Connecticut was one of 12 grantees to receive \$500,000 for the 18 month project period ending March 31, 2009. Connecticut's NHDMG project named "Choices At Home" is a two-part project occurring in the south central region of the state. Part one involves the development and implementation of a cash and counseling option of service delivery. This option takes existing state and federal program dollars and transforms them into flexible funds that allow clients to hire and receive care from their caregiver of choice. Selected clients may also receive supplemental services such as home modifications and the purchase of other critical items that will allow individuals to remain at home and deter or significantly delay nursing home placement. Part two entails the development and implementation of a pilot Aging and Disability Resource Center (ADRC) in south central Connecticut. The ADRC, which officially began serving clients on October 1, 2008, provides consumers with long-term care information, assistance and support regardless of age or ability.

At the end of FY2008, the Aging Services Division applied for and received a second round of Nursing Home Diversion grants for 18 months beginning in federal fiscal year 2009. Aging Services plans to continue the Nursing Home Diversion efforts underway in the south central region and expand these efforts into the western region of the state.

### ***Evidence-Based Health Program Grant***

In FY2007, the Administration on Aging awarded the department's Aging Services Division \$750,000 under the grant entitled Empowering Older People To Take More Control Of Their Health Through Evidence-Based Prevention Programs: A Public/Private Collaboration. In 2008, this three-year initiative mobilized the non-profit, aging, and public health sectors to disseminate the Chronic Disease Self-Management

Program or "Live Well" Program in the North Central Connecticut region. Twenty-one service providers and consumers were certified as lay leaders and have begun to facilitate programs in senior centers and senior housing complexes in the region.

In the south central and western Connecticut regions, fall prevention assessment programs based on Step-by-Step and the Connecticut Collaboration for Fall Prevention programs are being implemented by the Yale University, School of Medicine.

### **Child Support Enforcement**

Total child support collections for FY2008 were \$311.4 million, an increase of \$10.9 million over FY2007. The Connecticut Child Support Enforcement System server and associated hardware were upgraded in FY2008. In addition, a disaster recovery server was acquired and deployed. In 2008, the receipt and disbursement of electronic child support payments was a substantive cost savings for the state by reducing handling, printing and postage costs associated with paper payment processing; 48% of all incoming payments were received electronically at Connecticut's state disbursement unit and 95% of all disbursements to families and other states were accomplished electronically.

## **RECOMMENDED SIGNIFICANT CHANGES**

| <b>Reductions to Current Services</b>  | <b><u>2009-2010</u></b> | <b><u>2010-2011</u></b> |
|--|-------------------------|-------------------------|
| • Remove or Limit Inflation  | -2,100,679              | -3,622,903              |
| • Rollout FY2009 Rescissions - Legislative Earmarks  | -3,835,624              | -3,835,624              |
| <i>Under this proposal, FY2009 rescissions of funding added in FY2008 and FY2009 for a variety of non-entitlement programs will be reduced or eliminated in the FY2009-11 biennium, impacting the following accounts: Other Expenses, Services to the Elderly, Nutrition Assistance, Housing/Homeless Services, School Readiness, Community Services and Human Services Infrastructure/Community Action Program.</i>   |                         |                         |
| • Rollout FY2009 Rescissions - Consultant Contracts  | -1,056,498              | -1,056,498              |
| • Eliminate Vacant Positions   | -575,400                | -575,400                |
| <i>This proposal eliminates funding for 12 vacant positions.</i>   |                         |                         |
| • OE/OCE General Reductions  | -174,161                | -174,161                |
| • Eliminate or Defer New Leases - Wallingford Processing Center  | -311,261                | -311,261                |
| <i>The proposed Wallingford Processing Center would have centralized services to clients who programmatically do not require office visits or face-to-face interaction. Under this proposal, the centralized processing center initiative will be deferred through the biennium.</i>   |                         |                         |
| • Transfer Equipment to CEPF   | -6,420,678              | -2,490,770              |
| • Remove Rate Add for Nursing Homes  | -115,317,200            | -166,405,800            |
| <i>Under current statute, DSS is required to rebase nursing home rates no more than once every two years and no less than once every four years. Since nursing home rates were last rebased in FY2006, the Current Services budget includes a rate increase of 9.64% in FY2010 to reflect the rebasing of rates at a cost of \$113.7 million in FY2010 and \$127.6 million in FY2011. To comply with DSS' regulations, the Current Services budget also includes a 3% inflationary adjustment in FY2011 based on the anticipated increase in the Data Resources Incorporated (DRI) consumer price index, which tracks inflation specific to the nursing home industry. In addition, under current statute, DSS incorporates an adjustment to accommodate improvements to real property (referred to as a "fair rent adjustment") when setting annual nursing home rates. Legislation is being proposed to eliminate these increases over the biennium.</i> |                         |                         |
| • Provide Half of the June Reimbursement for Nursing Homes in July of the Following Fiscal Year  | -53,100,000             | 0                       |
| <i>Under this proposal, beginning in 2010, one-half of the June Medicaid payment to nursing homes will be deferred to the following month. This proposal will result in one-time savings in FY2010.</i>  |                         |                         |
| • Discontinue Payment for Non-Formulary Drugs under Medicare Part D  | -26,240,000             | -28,660,000             |
| <i>Connecticut is one of the few states providing state coverage of non-formulary drugs that are not paid for through Medicare Part D. The state receives no federal reimbursement on these expenditures. Under this proposal, non-formulary coverage will be eliminated for dually eligible clients, who are eligible for both Medicare and Medicaid, and for ConnPACE clients. Under federal rules, a Medicare Part D plan's formulary must include adequate coverage of the types of drugs most commonly needed and, in those cases where a particular non-formulary drug is medically necessary, plans are required to provide coverage. As a result, it is anticipated that clients will continue to receive needed medications through Medicare Part D.</i>  |                         |                         |
| • Apply the Federal Low-Income Subsidy Asset Test for Medicare Part D to ConnPACE  | -23,890,000             | -24,900,000             |
| <i>Under this proposal, the asset test used for determining eligibility for the low-income subsidy under Medicare Part D will be applied to ConnPACE enrollees (i.e., \$12,510 for individuals and \$25,010 for married couples for 2009). These asset levels will be indexed each year in accordance with the federal Medicare Part D program.</i>  |                         |                         |

## Budget Summary

|   |             |             |
|---|-------------|-------------|
| <ul style="list-style-type: none"> <li>• Eliminate State-Funded Non-Emergency Medical Assistance to Non-Citizens<br/><i>Under federal rules, non-citizens who have been in the country for more than five years are eligible for Medicaid and their costs are federally reimbursable. States have the option of providing coverage to non-citizens who have been in the country for less than five years, but the costs are 100% state funded. Connecticut is one of only fourteen states providing coverage for non-citizens through state-only funds, and at least two of those states have proposed cutting these services. Under this proposal, DSS will only provide non-citizens with emergency health care services allowable under the Medicaid program, which are federally reimbursed.</i></li> </ul>   | -23,600,000 | -24,500,000 |
| <ul style="list-style-type: none"> <li>• Limit Dental Services Benefit for Adults to Emergencies<br/><i>This proposal scales back dental services for adults under Medicaid and SAGA. The department will continue to provide emergency dental services, including dentures, x-ray, limited oral evaluation, emergency treatment of dental pain, and extractions. In the last few years, many states have reduced or eliminated adult dental benefits offered through Medicaid. According to a study conducted in 2004, only eight states, including Connecticut, provided full dental benefits for adults under their Medicaid programs.</i></li> </ul>  | -22,700,000 | -28,000,000 |
| <ul style="list-style-type: none"> <li>• Defer Cost of Living Adjustments for Clients on Public Assistance<br/><i>Effective July 1, 2009 and July 1, 2010, recipients of Temporary Family Assistance, State Administered General Assistance, and the Aid to the Aged, Blind and Disabled programs are scheduled to receive a state-funded cost of living adjustment based on the percentage increase in the Consumer Price Index - Urban (CPI-U). This proposal eliminates the standards increases for the biennium.</i></li> </ul>   | -9,099,712  | -14,904,341 |
| <ul style="list-style-type: none"> <li>• Impose Cost-Sharing Requirements on Individuals Receiving Medicaid Services<br/><i>A total of 44 states impose co-payments under their Medicaid programs. Under this proposal, DSS will require co-pays not to exceed 5% of family income on allowable medical services (excluding hospital inpatient, emergency room, home health, laboratory and transportation services). Under federal rules, co-pays for FFY2009 can range from \$0.50 to \$5.70, depending on monthly family income and size, and are indexed annually based on inflation. Co-pays for pharmacy services will be capped at \$20 per month. Consistent with federal rules, certain children under age 18, individuals at or below 100% of the federal poverty level, SSI recipients, pregnant women, women being treated for breast or cervical cancer and persons in institutional settings are exempt from the cost sharing requirement.</i></li> </ul> | -8,500,000  | -10,500,000 |
| <ul style="list-style-type: none"> <li>• Establish Premiums for HUSKY A Adults<br/><i>Under this proposal, DSS will require a monthly premium, not to exceed federal maximum levels. Premium amounts will be determined on a sliding scale, up to 10% or 20% of the cost of the service, depending on the individual's family income. Consistent with federal rules, certain children under age 18, individuals with income at or below 100% of the federal poverty level, pregnant women and individuals in hospice are exempt from paying premiums.</i></li> </ul>  | -8,800,000  | -9,300,000  |
| <ul style="list-style-type: none"> <li>• Eliminate Coverage of Most Over-the-Counter Drugs<br/><i>This proposal eliminates coverage of over-the-counter drugs, with the exception of insulin and insulin syringes, under the department's pharmacy programs. This change is consistent with the current policy under the ConnPACE program. To comply with federal rules, Connecticut will continue to provide coverage of over-the-counter drugs to all children under the age of 21 under the HUSKY A program.</i></li> </ul>  | -7,000,000  | -7,690,000  |
| <ul style="list-style-type: none"> <li>• Increase the Discount off the Average Wholesale Price Paid for Certain Drugs<br/><i>This proposal reduces the reimbursement level to pharmacy providers from the average wholesale price (AWP) minus 14% to AWP minus 15%. Based on surveys in a number of states, the Office of Inspector General for the federal Department of Health and Human Services reported that pharmacies tend to purchase their brand name drugs for AWP minus 22%, with generics purchased at AWP minus 66%. (In Connecticut, generic drugs are already governed by a maximum allowable cost reimbursement schedule.)</i></li> </ul>   | -6,500,000  | -7,140,000  |
| <ul style="list-style-type: none"> <li>• Eliminate Medical Interpreters under Medicaid<br/><i>Under this proposal, DSS will not amend the Medicaid state plan to include foreign language interpreter services as a covered service under the Medicaid fee-for-service program.</i></li> </ul>  | -5,500,000  | -6,000,000  |
| <ul style="list-style-type: none"> <li>• Maintain Caseload for State-Funded Connecticut Home Care Program for Elders at June 2009 Levels<br/><i>The Connecticut Home Care Program for Elders provides home and community based services to elderly, who are at risk of nursing home placement and meet the program's financial eligibility criteria. Under this proposal, the caseload under the state-funded Connecticut Home Care Program for Elders will be maintained at June 30, 2009 levels.</i></li> </ul>   | -4,790,000  | -14,540,000 |

|  |            |            |
|--|------------|------------|
| <ul style="list-style-type: none"> <li>• Update Medical Necessity and Appropriateness Definition under Medicaid<br/><i>Under this proposal, DSS will replace the current outdated medical necessity definition under Medicaid with the definition that has been in effect for the State Administered General Assistance medical program since January 2005. The revised medical necessity definition combines the concepts of medical necessity and appropriateness as is done in Medicare and under most public sector and commercial health care programs. The proposed definition incorporates the principle of providing services which are "reasonable and necessary" or "appropriate" in light of clinical standards of practice.</i></li> </ul>   | -4,500,000 | -9,000,000 |
| <ul style="list-style-type: none"> <li>• Remove Rate Add for Boarding Homes<br/><i>Under current statute, DSS is required to annually determine rates for various boarding homes. Per DSS regulations, boarding home rate increases are based on actual cost reports submitted by facilities, barring any legislation to remove rate increases for a particular fiscal year. This proposal eliminates the rate increases that have been included in the Current Services budget for boarding homes.</i></li> </ul>   | -4,470,009 | -9,278,478 |
| <ul style="list-style-type: none"> <li>• Reduce Dispensing Fees Paid to Pharmacy Providers<br/><i>Under this proposal, the dispensing fee paid to pharmacy providers for each prescription filled under the department's pharmacy programs will be reduced from \$3.15 to \$2.15. This level is in line with the dispensing fees paid by most commercial health insurers.</i></li> </ul>   | -4,130,000 | -4,520,000 |
| <ul style="list-style-type: none"> <li>• Limit Inappropriate Nursing Home Placements &amp; Enhance Efforts to Ensure the Financial Viability of the State's Nursing Homes<br/><i>To prevent individuals from inappropriate nursing home admission, funding has been provided to develop a state-of-the-art, online screening system, which will allow DSS to assume responsibility for screening individuals with mental illness and mental retardation for appropriateness for nursing home placement. Over the next five years, the enhanced screening process is expected to identify over 300 individuals who could be better served in community rather than institutional settings. This initiative, along with Money Follows the Person, will allow the department to strengthen community placements and reduce the reliance on higher costing institutional care. In addition, five positions are provided to DSS to perform a detailed assessment of nursing homes in financial distress including the review of audited financial statements, vendor payments and employee payrolls. This will allow for a reduction in hardship payments. For homes where DSS determines that hardship rates will have limited effect, the department will focus on financial solvency with the goal to remove inefficient, financially troubled homes. The savings reflected in the budget assumes the closure of approximately 100 nursing home beds in FY2011, with additional closures in the future.</i></li> </ul> | -3,800,000 | -8,300,000 |
| <ul style="list-style-type: none"> <li>• Cap Medicare Part D Co-payment Coverage for Dually Eligible Clients<br/><i>As of 2007, Connecticut was one of only eight states covering the costs of the Medicare Part D co-payments for persons dually eligible for Medicare and Medicaid. DSS is covering the costs of the Part D prescription co-pays, which range from \$1.10 to \$6.00 in 2009. Under this proposal, dually eligible clients will be responsible for paying up to \$20 per month in Medicare co-pays for Part D-covered drugs.</i></li> </ul>   | -3,700,000 | -4,000,000 |
| <ul style="list-style-type: none"> <li>• Remove Rate Add for Intermediate Care Facilities<br/><i>To comply with DSS' regulations, the Current Services budget includes a 4.7% and 4.9% increase in FY2010 and FY2011, respectively, for Intermediate Care Facilities for those with developmental disabilities based on the anticipated increase in the gross national product (GNP) deflator. These rate increases are eliminated over the biennium.</i></li> </ul>   | -2,858,900 | -6,189,600 |
| <ul style="list-style-type: none"> <li>• Create a Community and Social Services Block Grant<br/><i>Under this proposal, funding from a variety of non-entitlement programs within DSS will be reallocated into a Community and Social Services Block Grant. Approximately \$7.5 million in funding will be distributed according to a plan developed by regional planning organizations, subject to review and approval by the Department of Social Services, the Office of Policy and Management and the legislative committees of cognizance. This will impact the following accounts: Human Resource Development - General and Hispanic, Human Services Infrastructure/Community Action Program, Community Services, Teen Pregnancy Prevention and Services to the Elderly.</i></li> </ul>  | -2,538,490 | -2,538,490 |
| <ul style="list-style-type: none"> <li>• Limit Maximum Allowable Cost Reimbursement for Certain Drugs<br/><i>Maximum Allowable Cost (MAC) programs are designed to ensure state Medicaid programs pay appropriate prices for generic and multi-source brand drugs. This proposal revises MAC reimbursement under DSS' pharmacy programs from the average wholesale price (AWP) minus 40% to AWP minus 50%.</i></li> </ul>  | -2,000,000 | -2,190,000 |
| <ul style="list-style-type: none"> <li>• Eliminate Self-Declaration Provisions at Application and Redetermination<br/><i>In FY2002, DSS implemented new verification procedures for the HUSKY A program that allow the department to accept a client's self-declaration of income. Under this policy, DSS does not verify the information provided unless the department believes such declaration to be inaccurate. This proposal eliminates the self-declaration provision.</i></li> </ul>   | -2,000,000 | -2,000,000 |

## Budget Summary

|  |            |            |
|--|------------|------------|
| <ul style="list-style-type: none"> <li>• Suspend Supplemental Payments to FQHCs and Hospitals for Unreimbursed Costs for Pregnant Women<br/><i>Beginning in FY2009, DSS plans to make payments to participating providers - FQHCs and hospital clinics - on a first come, first served basis, with the payments totaling \$800 per person for pre-natal care when the mother is undocumented. Since the funding available under SAGA is capped at \$2.0 million per year, once that amount is expended, no further grants will be made in the fiscal year. Under this proposal, FQHCs and hospital clinics will not receive these supplemental grant payments over the biennium.</i></li> </ul>  | -2,000,000 | -2,000,000 |
| <ul style="list-style-type: none"> <li>• Include Mental Health Related Drugs under the Department's Preferred Drug List<br/><i>Although mental health related drugs are one of the highest cost categories of drugs under Medicaid, they are currently exempt from DSS' preferred drug list (PDL). Under this proposal, mental health related drugs will be added to the PDL in order to receive supplemental rebates on these drugs. For coverage of drugs that are not on the PDL, the extra step of receiving prior authorization will be required. In addition, to ensure appropriate prescribing, DSS will conduct evidence-based educational outreach to physicians to reduce the use of off-label anti-psychotics in children and other areas of high cost prescribing that present high clinical risk and/or limited effectiveness beginning July 1, 2009. These efforts will be further strengthened by requiring prior authorization for certain drugs, including the use of off-label anti-psychotic drugs in children, regardless of whether the drug is on the PDL beginning July 1, 2010.</i></li> </ul> | -1,900,000 | -2,080,000 |
| <ul style="list-style-type: none"> <li>• Mirror Medicare's Non-Payment Policy for Certain Hospital Acquired Conditions under Medicaid<br/><i>The federal Centers for Medicare &amp; Medicaid Services (CMS) has started to address ways that Medicare can help to reduce or eliminate the occurrence of "never events" - serious and costly errors in the provision of health care services that should never happen. Beginning in October 2008, Medicare payment will be denied for six costly and sometimes deadly, preventable hospital-acquired conditions. Under this proposal, DSS will implement similar provisions under the Medicaid program. According to CMS, at least twenty states are currently considering the same policy for Medicaid patients with about a dozen states having already implemented such efforts.</i></li> </ul>  | -1,700,000 | -1,800,000 |
| <ul style="list-style-type: none"> <li>• Delay Implementation of the HIV/AIDS Waiver<br/><i>The HIV/AIDS waiver is a home and community-based services waiver that is being developed by DSS to provide additional services beyond those traditionally offered under Medicaid (e.g., case management, homemaker, personal care assistance, adult day health and respite) for up to 100 persons living with symptomatic HIV or AIDS. In recognition of the state's fiscal crisis, implementation of the waiver will be delayed until July 1, 2011.</i></li> </ul>   | -1,612,230 | -4,080,220 |
| <ul style="list-style-type: none"> <li>• Modify Premium Payment Requirements under HUSKY B<br/><i>HUSKY B offers a full health insurance package for children and teenagers up to age 19, regardless of family income. The program is divided into three income bands: the first band (185% to 235% of the federal poverty level (FPL)) pays no premiums; the second band (236% to 300% FPL) has monthly premiums of \$30 for families with one child and \$50 for families with two or more children; and the third band (over 300% FPL) is responsible for the full premium. Under this proposal, monthly premiums for Band 2 will increase to \$50 for families with one child, \$75 for families with two children and \$100 for families with three or more children.</i></li> </ul>  | -1,520,000 | -1,570,000 |
| <ul style="list-style-type: none"> <li>• Establish an Online Eligibility Information Verification System<br/><i>Based on the positive results achieved by other states that have an online verification system, DSS will, under this proposal, contract with a private entity to develop an online eligibility information verification system to support and supplement the department's eligibility determination verification process. The system will verify applicants' income and asset information to ensure that applicants are eligible for assistance prior to awarding benefits. The system will review all applications for public assistance in the Medicaid, SAGA, TFA, and State Supplement programs, as well as SNAP. (Although SNAP is 100% federally funded, use of the system may help the state avoid federal penalties due to eligibility errors.)</i></li> </ul>   | -1,500,000 | -3,000,000 |
| <ul style="list-style-type: none"> <li>• Require Certification for Medication Administration in Residential Care Homes and Boarding Homes<br/><i>Current statute allows unlicensed personnel to obtain certification for the administration of medication. Under this proposal, residential care homes and boarding homes will be required to have individual employees certified so that they can provide medication administration to their residents. Nurses will still be required to administer all injections. This proposal provides additional funds for training, liability insurance, supervision and other implementation costs and results in a net savings under the Medicaid program.</i></li> </ul>   | -1,445,000 | -2,890,000 |
| <ul style="list-style-type: none"> <li>• Eliminate Subsidy for LifeStar Program<br/><i>The LifeStar grant provides a subsidy for the operation and maintenance of the helicopters at Hartford Hospital. The grant was first introduced by the legislature at a cost of \$1.0 million in FY2002. The grant funds a small portion of the program's operating expenses. Under this proposal, the state subsidy is eliminated.</i></li> </ul>  | -1,388,190 | -1,388,190 |

|  |            |            |
|--|------------|------------|
| <ul style="list-style-type: none"> <li>• Require Prior Authorization for High Cost Drugs<br/><i>Prior authorization is required when a drug is within one of the classes included on the preferred drug list, but the drug being requested is not on the PDL. Under this proposal, DSS will require prior authorization for certain high cost classes of drugs to ensure medical necessity.</i></li> </ul>   | -1,350,000 | -1,490,000 |
| <ul style="list-style-type: none"> <li>• Spend Maximum Required for Child Care Quality<br/><i>As a condition of the \$51.2 million Child Care Development Block Grant (CCDBG), Connecticut is required to spend \$3.2 million on quality activities. Current annual quality expenditures total \$4.6 million, or \$1.4 million in excess of the federal grant requirement. Under this proposal, the Quality Enhancement Grant Program will be eliminated and quality enhancement initiatives will be streamlined to focus on managing the child care provider credentialing verification process, assisting teachers and providers in pursuing an advanced career path and providing scholarships for child care providers for accreditation needs through Connecticut Charters-A-Course.</i></li> </ul>   | -1,330,000 | -1,330,000 |
| <ul style="list-style-type: none"> <li>• Eliminate Automatic 30-Day Fill for New Prescriptions Requiring Prior Authorization<br/><i>Currently when a recipient presents at the pharmacy with a new prescription that requires prior authorization (PA), the pharmacist can immediately (at the point of sale) dispense a 30 day supply without going through the PA process. On subsequent fills of the same medication, if no PA is requested and obtained, the claim will deny because the prescriber must be contacted to request and receive prior authorization. Under this proposal, this first 30 day fill without prior authorization will be eliminated. This is consistent with the department's policy prior to the pharmacy carve-out. This change will not eliminate the 5 day "emergency" supply when the prescriber cannot be contacted or DSS' contractor cannot complete the prior authorization within the required timeframes.</i></li> </ul>   | -1,200,000 | -1,310,000 |
| <ul style="list-style-type: none"> <li>• Eliminate Limited Vision and Non-Emergency Medical Transportation Benefits<br/><i>In FY2007, the legislature provided funding for a limited vision and non-emergency medical transportation program under SAGA. Under this proposal, these expanded benefits are eliminated. It is anticipated that DSS will continue to provide transportation for dialysis and cancer treatments.</i></li> </ul>  | -1,100,000 | -1,170,000 |
| <ul style="list-style-type: none"> <li>• Allow Special Needs Trusts in the Aid to the Aged, Blind and Disabled (AABD) Program for Certain Boarding Home Residents<br/><i>When recipients of AABD receive Supplemental Security Income (SSI) and/or Social Security (SSA) benefits, their income may, over time, reach levels which makes them ineligible for further AABD assistance. When this occurs, they are likely to move into a higher cost nursing home setting. To address this, the Governor proposes allowing special needs trusts to be used to reduce the countable income of those boarding home residents whose increased income would have made them ineligible for AABD. This change will enable them to remain in a boarding home and avoid nursing home placement.</i></li> </ul>   | -918,153   | -1,224,204 |
| <ul style="list-style-type: none"> <li>• Require Medicare Part D Recipients to Enroll in Benchmark Plans<br/><i>Currently, persons dually eligible for Medicare and Medicaid and ConnPACE recipients in Medicare Part D may enroll in any Part D prescription drug plan of their choice. CMS pays the monthly benchmark premium (\$31.74 in calendar year 2009) for those individuals receiving the federal Part D low-income subsidy, but when clients enroll in a plan costing more than the benchmark amount, DSS pays the difference. Of the 47 prescription drug plans available to enrollees in program year 2009, 26 are enhanced plans, with premiums ranging as high as \$111.30. With aggressive marketing on the part of prescription drug plans, clients are increasingly enrolling in enhanced plans, although generally there are no substantive benefits to the higher costing plans. Under this proposal, all dually eligible and ConnPACE recipients participating in Medicare Part D will be required to enroll in one of the 12 benchmark plans. Limiting enrollment to benchmark plans will simplify the coordination of benefits and premium payment and plan reconciliation. This proposal is in line with the vast majority of states, which do not cover costs beyond the benchmark amount.</i></li> </ul> | -900,000   | -1,810,000 |
| <ul style="list-style-type: none"> <li>• Defer the Increase in the State Supplement Disregard for Boarding Home Clients<br/><i>In past years, any cost of living adjustments (COLA) received as part of an AABD client's Social Security benefit were considered an increase in income and applied to the client's cost of care. Recent legislation, however, allows AABD clients to retain their Social Security COLA (by increasing the unearned income disregard) without a concurrent reduction in their state benefit. This proposal reinstates the previous policy of applying any federal COLA to offset the cost per case.</i></li> </ul>  | -872,090   | -3,012,246 |
| <ul style="list-style-type: none"> <li>• Reduce Transportation for Employment Independence<br/><i>Transportation for Employment Independence supports transportation programs for adults on Temporary Family Assistance for work and work-related activities, including van pools, extended fixed route bus service, fare subsidies and automotive emergency repair services. Under this proposal, funding for Transportation for Employment Independence is reduced by 25%.</i></li> </ul>  | -830,400   | -830,400   |

## Budget Summary

|  |          |            |
|--|----------|------------|
| <ul style="list-style-type: none"> <li>• Shift Support for Independent Living Centers to Federal Funds<br/><i>The five Independent Living Centers for persons with significant disabilities provide an array of services to allow individuals to be active participants in the community and avoid institutionalization. Funding for Independent Living Centers is anticipated through the federal stimulus bill, resulting in a reduced need for state General Fund support.</i></li> </ul>   | -665,927 | -665,927   |
| <ul style="list-style-type: none"> <li>• Implement Provisions under the Federal False Claims Act<br/><i>The federal Deficit Reduction Act of 2005 authorizes the state to bring a civil action against any individual or entity who engages in fraud against the state of Connecticut. This proposal includes 'qui tam' provisions allowing individuals to initiate claims and allowing the Attorney General to substitute the state of Connecticut for such individual's civil action. The federal government will provide financial incentives to states that adopt this qui tam law for purposes of recovering Medicaid funds in such actions.</i></li> </ul>   | -500,000 | -1,000,000 |
| <ul style="list-style-type: none"> <li>• Reduce Funding for HUSKY Outreach<br/><i>Given the outreach efforts already underway through the Governor's Enrollment in Schools and Enrollment at Birth initiatives, and in light of the significant increases in the HUSKY A caseload over the last year, the amount of funding needed to conduct further outreach efforts can be reduced. Funding of \$1.2 million is provided to continue outreach efforts.</i></li> </ul>   | -500,000 | -500,000   |
| <ul style="list-style-type: none"> <li>• Create Employment Services Block Grant<br/><i>Under this proposal, funding from the Employment Opportunities Program and general employment services within the Community Services account will be reallocated into an Employment Services Block Grant. Approximately \$1.2 million will be distributed according to a plan developed by regional planning organizations, subject to review and approval by the Department of Social Services, the Office of Policy and Management and the legislative committees of cognizance.</i></li> </ul>   | -428,522 | -428,522   |
| <ul style="list-style-type: none"> <li>• Shift Funding for the State Long-Term Care Ombudsman Program to Federal Funds<br/><i>The State Long-Term Care Ombudsman Program, authorized by the federal Older Americans Act, investigates and resolves complaints made by or on behalf of older individuals who are residents of long term care facilities. Under this proposal, \$360,000 in expenditures will be shifted to existing federal funds and the department will continue to provide ombudsman services. This proposal may require shifting personnel expenses and/or decreasing contractual or other programmatic expenses.</i></li> </ul>  | -360,000 | -360,000   |
| <ul style="list-style-type: none"> <li>• Add New Procedure Code to the Home Health Fee Schedule under Medicaid<br/><i>DSS currently has a medication administration procedure code on its Medicaid fee schedule that is limited to oral, intravenous and subcutaneous administration. As a result, DSS pays for other routes of administration, such as patch, eye and ear drops, and lotions, at the more expensive full skilled nursing visit rate. Under this proposal, these other routes of administration will be added to the fee schedule and priced at the lower rate to reflect the lower level of service required for the administration of patches, eye and ear drops, lotions, and similar items.</i></li> </ul> | -355,000 | -355,000   |
| <ul style="list-style-type: none"> <li>• Increase the Annual Enrollment Fee under ConnPACE<br/><i>Currently, ConnPACE enrollees are required to pay an annual enrollment fee of \$30 at the point of application or redetermination. Under this proposal, the annual fee will be increased to \$45 for all clients.</i></li> </ul>   | -260,000 | -250,000   |
| <ul style="list-style-type: none"> <li>• Establish an Open Enrollment Period under ConnPACE<br/><i>Under this proposal, an open enrollment period will be established under ConnPACE effective January 1, 2010. Individuals will be eligible to enroll in the ConnPACE program during the open enrollment period or within 31 days of turning age 65 or becoming eligible for disability benefits under the Social Security Disability Income (SSDI) or Supplemental Security Income (SSI) programs. The open enrollment period will coincide with the open enrollment period for the Medicare Part D program - November 15 through December 31.</i></li> </ul>  | -240,000 | -600,000   |
| <ul style="list-style-type: none"> <li>• Eliminate Children's Health Council Account<br/><i>While the Children's Health Council no longer exists, the department utilizes funding to provide analyses of trends in HUSKY eligibility and to coordinate outreach activities. Under this proposal, funding is eliminated given the department's ability to report on HUSKY efforts and due to outreach efforts underway through the Governor's Enrollment in Schools and Enrollment at Birth initiatives.</i></li> </ul>   | -218,317 | -218,317   |
| <ul style="list-style-type: none"> <li>• Restructure Rates for Methadone Maintenance under Medicaid<br/><i>Under this proposal, the rate structure for methadone maintenance will be revised, resulting in savings to the Medicaid program.</i></li> </ul>   | -192,800 | -276,200   |
| <ul style="list-style-type: none"> <li>• Suspend COLA Increase Provided for the Purposes of Determining Income Eligibility under ConnPACE<br/><i>Income limits for the ConnPACE program are adjusted each January based on the cost-of-living adjustment provided by the Social Security Administration. Under this proposal, income limits will not be increased by the 2010 and 2011 cost-of-living adjustments.</i></li> </ul>  | -130,000 | -880,000   |



|   |                             |                             |                       |
|---|-----------------------------|-----------------------------|-----------------------|
| <ul style="list-style-type: none"> <li>Limit the Number of Chronic Care Transitions under Money Follows the Person<br/><i>For the chronic care waiver population, DSS planned to transition one individual in FY2009, 14 individuals in FY2010 and 24 individuals in FY2011 at an average annual cost of \$148,260 per year. DSS is projected to spend \$2.7 million in year one transition costs for 24 clients in FY2011. Although this represents just under 12% of the approximately 200 transitions anticipated in FY2011, it accounts for over 26% of the costs. To address the extremely costly nature of these clients, the operational protocol will be revised to limit the number of transitions under the chronic care waiver to no more than 2% of the 700 clients expected to be transitioned under the demonstration period. By the end of the next biennium, after the bulk of the transitions have occurred under the demonstration period, DSS will reassess this policy to determine where the state's limited resources should best be targeted.</i></li> </ul> | -110,000                    | -1,850,000                  |                       |
| <ul style="list-style-type: none"> <li>Tighten Early Refill Criteria under DSS' Pharmacy Programs<br/><i>Currently, prior authorization is required to fill a prescription when less than 75% of the medication should have been taken based on the amount dispensed. This proposal changes the requirement to 85% to tighten control on early refills, which is consistent with many commercial plans that have moved to tighter controls.</i></li> </ul>  | -105,700                    | -116,000                    |                       |
| <ul style="list-style-type: none"> <li>Cover Telemonitoring Services Provided by Home Health Agencies under Medicaid<br/><i>Under this proposal, DSS will introduce coverage of telemonitoring services provided by home health agencies including coverage for the cost of equipment rental and 24-hour monitoring for patients with congestive heart failure or chronic obstructive pulmonary disease who meet certain medical criteria. While this initiative is expected to result in net savings due to reduced skilled nursing visits and improved disease management, requiring fewer hospital visits, DSS will track both costs and savings over a two-year period. An evaluation will be performed at the end of the demonstration period to confirm the program's cost effectiveness.</i></li> </ul>  | -100,000                    | -250,000                    |                       |
| <ul style="list-style-type: none"> <li>Maximize Federal Funds to Support Essential Services Program<br/><i>The Essential Services program provides up to \$650 in monthly support services to persons with a disability, age 18-64, at risk of institutionalization. Under this proposal, the state appropriation of \$73,095 is eliminated and this program will be fully supported with approximately \$6 million in federal Social Services Block Grant funding.</i></li> </ul>  | -73,095                     | -73,095                     |                       |
| <ul style="list-style-type: none"> <li>Eliminate UConn Child Care Newsletter<br/><i>This reduction eliminates a contract with the University of Connecticut to provide the "All Children Considered" newsletter to parents and providers on state regulations, key topics and professional development information and resources in early care and school-age child care.</i></li> </ul>  | -30,000                     | -30,000                     |                       |
| <ul style="list-style-type: none"> <li>Cap the Total Number of Beds under Small House Nursing Home Projects<br/><i>P.A. 08-91 requires DSS to establish, within available appropriations, a pilot program to support the development of up to ten "small house nursing home" projects with the goal of improving the quality of life for nursing home residents by providing care in a more home-like setting. While each unit can house no more than ten individuals, each project can have multiple units. One project that is in the early stages of development will convert approximately 280 certified beds to this model. To control future costs, this proposal restricts any further development of "small house nursing home" projects over the biennium by capping the number of beds at 280 through the biennium.</i></li> </ul>  | 0                           | -1,500,000                  |                       |
| <b>Within Current Services</b>  |                             |                             |                       |
| <ul style="list-style-type: none"> <li>Implement Rapid Rehousing Initiative<br/><i>DSS, in concert with the Department of Children and Families and the Department of Economic and Community Development, will refocus its shelter programming to implement a "rapid rehousing" initiative within existing resources. Through this initiative, shelters will offer financial and housing specialist supports and intensive counseling to families experiencing a housing crisis. These efforts are expected to reduce shelter stays and expedite placement and restabilization in the community.</i></li> </ul>   | 0                           | 0                           |                       |
| <b>Revenues</b>   |                             |                             |                       |
| <ul style="list-style-type: none"> <li>Increase Capacity to Execute Capias Mittimus Orders in Title IV-D Child Support Program<br/><i>From January 1, 2003 through December 31, 2008, a backlog of almost 5,000 unserved capias mittimus orders in family child support matters has accumulated. Legislation is proposed to increase the number of capias mittimus sworn police officers allowed under statute from four to six. This proposal is expected to result in a revenue gain of \$85,000 due to increased child support collections that offset state public assistance costs.</i></li> </ul>   | 0                           | 0                           |                       |
| <b>New or Expanded Services</b>   |                             |                             |                       |
| <ul style="list-style-type: none"> <li>Expand Categorical Eligibility under SNAP<br/><i>The federal Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program, is a 100% federally funded nutrition program that helps low-income individuals and families purchase food. The USDA allows states to expand categorical eligibility by providing a non-financial benefit or service for which 50% or more of the cost is funded through Temporary</i></li> </ul>  | <u>2009-2010</u><br>130,100 | <u>2010-2011</u><br>113,600 | <u>2011-2012</u><br>0 |

## Budget Summary

Assistance to Needy Families (TANF) if that benefit or service fulfills TANF purpose 3 (teen pregnancy prevention) or 4 (maintaining and supporting families). Under this proposal, DSS will expand categorical eligibility by providing an informational and referral brochure about other programs available that would fulfill purposes 3 and 4 under TANF to all households that are receiving or apply for SNAP. This will allow DSS to increase the gross income test up to 185% FPL, compared to 130% under current policy, and eliminate the asset limit, thereby increasing the number of potential families that can be served under SNAP.

|  |         |         |   |
|--|---------|---------|---|
| • Expand Food Pantry Nutritional Assistance  | 300,000 | 300,000 | 0 |
| <i>Under this proposal, a state allocation of \$300,000 will be provided through the biennium for bulk food purchasing at a reduced cost. One-third of the funds will be provided to Food Share and the remainder to the Connecticut Food Bank for distribution to food pantries, food banks, shelters and soup kitchens within their respective regions.</i>  |         |         |   |
| • Expand Elderly Nutrition   | 450,000 | 450,000 | 0 |
| <i>The Elderly Nutrition program annually provides home-delivered or congregate meals to approximately 22,700 elderly, many of whom live alone or are located in a rural area or are disabled. Under this proposal, additional funding of \$450,000 will be provided through the biennium to address the wait list for home-delivered meals, increase the number of weekend meals, and/or expand the benefit or number of elderly who participate.</i>   |         |         |   |
| • Increase Child Support Passthrough Disregard to \$100  | 0       | 0       | 0 |
| <i>This proposal increases from \$50 to \$100 the amount of the current child support payment that is disregarded and passed through to families receiving Temporary Family Assistance (TFA). Increasing the disregard provides families with additional financial support and a greater incentive to cooperate in securing child support for their children. Increasing the disregard will also result in fewer families being discontinued from TFA each month because of child support income as they will now have to have at least \$100, rather than \$50, above the payment standard before losing eligibility. Effective 10/1/08, the Deficit Reduction Act no longer requires states to "share" 50% of child support payments collected and disregarded. Due to this change in federal law, the child support pass-through can be increased to \$100 at no cost to the state.</i> |         |         |   |

## AGENCY SUMMARY

| <b>Personnel Summary</b>              | 2008-2009   | 2009-2010   | 2009-2010   | 2010-2011   | 2010-2011   |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
|                                       | Total       | Change From | Total       | Change From | Total       |
|                                       | Authorized  | 2008-2009   | Recommended | 2009-2010   | Recommended |
| <u>Permanent Full-Time Positions</u>  |             |             |             |             |             |
| General Fund                          | 1,871       | 22          | 1,893       | 0           | 1,893       |
| Federal and Other Activities          | 277         | 0           | 277         | 0           | 277         |
| Private Funds                         | 55          | -16         | 39          | 0           | 39          |
| <br>                                  |             |             |             |             |             |
| <b>Financial Summary</b>              | 2008-2009   | 2009-2010   | 2009-2010   | 2010-2011   | 2010-2011   |
|                                       | Estimated   | Current     | Total       | Current     | Total       |
|                                       | Estimated   | Services    | Recommended | Services    | Recommended |
| Personal Services                     | 118,437,001 | 120,627,427 | 119,992,027 | 121,109,139 | 120,473,739 |
| Other Expenses                        | 90,698,634  | 96,350,834  | 95,698,014  | 96,456,677  | 95,737,357  |
| <u>Capital Outlay</u>                 |             |             |             |             |             |
| Equipment                             | 950         | 6,420,778   | 100         | 2,490,870   | 100         |
| <u>Other Current Expenses</u>         |             |             |             |             |             |
| Children's Health Council             | 207,401     | 218,317     | 0           | 218,317     | 0           |
| HUSKY Outreach                        | 1,621,129   | 1,706,452   | 1,206,452   | 1,706,452   | 1,206,452   |
| Genetic Tests in Paternity Actions    | 191,142     | 201,202     | 201,202     | 201,202     | 201,202     |
| State Food Stamp Supplement           | 262,691     | 358,616     | 408,616     | 411,357     | 511,357     |
| Day Care Projects                     | 478,820     | 478,820     | 448,820     | 478,820     | 448,820     |
| HUSKY Program                         | 52,306,416  | 34,261,200  | 32,741,200  | 35,963,900  | 34,393,900  |
| Energy Assistance Programs            | 2,000,000   | 0           | 0           | 0           | 0           |
| Charter Oak Health Plan               | 0           | 20,830,000  | 20,830,000  | 34,010,000  | 34,010,000  |
| TOTAL - Other Current Expenses        | 57,067,599  | 58,054,607  | 55,836,290  | 72,990,048  | 70,771,731  |
| <u>Pmts to Other than Local Govts</u> |             |             |             |             |             |
| Vocational Rehabilitation             | 7,386,668   | 7,386,668   | 7,386,668   | 7,386,668   | 7,386,668   |

## Budget Summary

|   |                      |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Medicaid                                      | 3,763,833,899        | 4,149,160,000        | 3,866,375,670        | 4,349,600,000        | 4,032,336,580        |
| Lifestar Helicopter                           | 1,318,780            | 1,388,190            | 0                    | 1,388,190            | 0                    |
| Old Age Assistance                            | 32,821,026           | 38,245,556           | 36,082,767           | 42,338,392           | 37,262,613           |
| Aid to the Blind                              | 609,452              | 740,702              | 714,824              | 786,968              | 720,411              |
| Aid to the Disabled                           | 59,251,104           | 64,840,335           | 60,032,162           | 71,412,807           | 60,588,720           |
| Temporary Assist to Families - TANF           | 111,955,831          | 121,528,201          | 117,434,597          | 124,269,061          | 119,158,385          |
| Emergency Assistance                          | 475                  | 500                  | 500                  | 500                  | 500                  |
| Food Stamp Training Expenses                  | 32,397               | 32,397               | 32,397               | 32,397               | 32,397               |
| Conn Pharmaceutical Assist to Elderly         | 41,637,238           | 36,359,645           | 11,389,645           | 39,433,755           | 11,913,755           |
| Healthy Start                                 | 1,490,220            | 1,490,220            | 1,490,220            | 1,490,220            | 1,490,220            |
| DMHAS – Disproportionate Share                | 105,935,000          | 105,935,000          | 105,935,000          | 105,935,000          | 105,935,000          |
| Connecticut Home Care Program                 | 64,634,600           | 76,628,400           | 71,838,400           | 85,924,600           | 71,384,600           |
| Human Resource Dev-Hispanic Pgms              | 1,040,365            | 1,040,365            | 0                    | 1,040,365            | 0                    |
| Services to the Elderly                       | 5,840,449            | 5,240,248            | 4,315,736            | 5,261,848            | 4,337,336            |
| Safety Net Services                           | 2,100,897            | 2,100,897            | 2,100,897            | 2,100,897            | 2,100,897            |
| Transportation for Employment Indep           | 3,321,613            | 3,321,613            | 2,491,213            | 3,321,613            | 2,491,213            |
| Transitory Rental Assistance                  | 1,186,680            | 1,186,680            | 1,186,680            | 1,186,680            | 1,186,680            |
| Refunds of Collections                        | 187,150              | 187,150              | 187,150              | 187,150              | 187,150              |
| Services for Persons with Disabilities        | 768,404              | 768,404              | 695,309              | 768,404              | 695,309              |
| Child Care Services - TANF/CCDBG              | 93,118,727           | 103,872,455          | 103,872,455          | 95,915,536           | 95,915,536           |
| Nutrition Assistance                          | 450,322              | 472,663              | 672,663              | 472,663              | 672,663              |
| Housing/Homeless Services                     | 40,789,681           | 44,650,497           | 43,787,497           | 47,905,657           | 47,042,657           |
| Employment Opportunities                      | 1,231,379            | 1,231,379            | 0                    | 1,231,379            | 0                    |
| Human Resource Development                    | 36,818               | 38,581               | 0                    | 38,581               | 0                    |
| Child Day Care                                | 10,617,392           | 10,617,392           | 10,617,392           | 10,617,392           | 10,617,392           |
| Independent Living Centers                    | 665,927              | 665,927              | 0                    | 665,927              | 0                    |
| AIDS Drug Assistance                          | 606,678              | 606,678              | 606,678              | 606,678              | 606,678              |
| Disproportionate Share-Med Emer Asst          | 53,725,000           | 53,725,000           | 53,725,000           | 53,725,000           | 53,725,000           |
| DSH-Urban Hospitals/Distressed                | 31,550,000           | 31,550,000           | 31,550,000           | 31,550,000           | 31,550,000           |
| State Administered General Assistance         | 182,346,909          | 204,264,400          | 191,452,380          | 216,809,500          | 203,207,930          |
| School Readiness                              | 4,763,546            | 5,011,321            | 3,289,697            | 5,011,321            | 3,289,697            |
| Connecticut Children's Medical Center         | 11,020,000           | 11,020,000           | 11,020,000           | 11,020,000           | 11,020,000           |
| Community Services                            | 3,991,865            | 4,094,013            | 1,490,003            | 4,094,013            | 1,490,003            |
| Alzheimer Respite Care                        | 2,294,388            | 2,294,388            | 2,294,388            | 2,294,388            | 2,294,388            |
| Family Grants                                 | 484,133              | 484,133              | 484,133              | 484,133              | 484,133              |
| Human Svcs Infrastructure CAP                 | 4,476,431            | 4,698,796            | 0                    | 4,698,796            | 0                    |
| Teen Pregnancy Prevention                     | 1,527,384            | 1,527,384            | 0                    | 1,527,384            | 0                    |
| Medicare Part D Supplemental Needs            | 24,780,000           | 26,240,000           | 0                    | 28,660,000           | 0                    |
| Employment Services Block Grant               | 0                    | 0                    | 1,285,566            | 0                    | 1,285,566            |
| Community and Social Services Block Grant     | 0                    | 0                    | 7,515,472            | 0                    | 7,515,472            |
| <b>TOTAL - Pmts to Other than Local Govts</b> | <b>4,673,828,828</b> | <b>5,124,646,178</b> | <b>4,753,353,159</b> | <b>5,361,193,863</b> | <b>4,929,925,549</b> |
| <u><i>Pmts to Local Governments</i></u>       |                      |                      |                      |                      |                      |
| Child Day Care                                | 5,263,706            | 5,263,706            | 5,263,706            | 5,263,706            | 5,263,706            |
| Human Resource Development                    | 31,034               | 31,034               | 0                    | 31,034               | 0                    |
| Human Resource Dev-Hispanic Pgms              | 5,900                | 5,900                | 0                    | 5,900                | 0                    |
| Teen Pregnancy Prevention                     | 870,326              | 870,326              | 0                    | 870,326              | 0                    |
| Services to the Elderly                       | 44,405               | 44,405               | 0                    | 44,405               | 0                    |
| Housing/Homeless Services                     | 686,592              | 686,592              | 686,592              | 686,592              | 686,592              |
| Community Services                            | 191,358              | 191,358              | 0                    | 191,358              | 0                    |
| <b>TOTAL - Pmts to Local Governments</b>      | <b>7,093,321</b>     | <b>7,093,321</b>     | <b>5,950,298</b>     | <b>7,093,321</b>     | <b>5,950,298</b>     |
| <b>TOTAL - General Fund</b>                   | <b>4,947,126,333</b> | <b>5,413,193,145</b> | <b>5,030,829,888</b> | <b>5,661,333,918</b> | <b>5,222,858,774</b> |
| <u><i>Additional Funds Available</i></u>      |                      |                      |                      |                      |                      |
| Federal and Other Activities                  | 456,799,098          | 368,838,392          | 368,838,392          | 368,922,594          | 368,922,594          |
| Bond Funds                                    | 6,999,286            | 5,988,857            | 5,988,857            | 4,988,857            | 4,988,857            |
| Private Funds                                 | 14,818,129           | 7,946,409            | 7,946,409            | 8,163,974            | 8,163,974            |
| <b>TOTAL - All Funds Net</b>                  | <b>5,425,742,846</b> | <b>5,795,966,803</b> | <b>5,413,603,546</b> | <b>6,043,409,343</b> | <b>5,604,934,199</b> |



# STATE DEPARTMENT ON AGING

## AGENCY PURPOSE

Pursuant to Public Act 05-280, a 20-member task force was formed to study the re-establishment of a department on aging and to make recommendations on revisions to the general statutes and other changes needed to launch the new department. As a result of their findings, the task force recommended that the General Assembly analyze the service needs of the state's elderly population by conducting a long-

term care needs assessment. This assessment was completed by the University of Connecticut Health Center in June 2007. An additional study was conducted by Southern Connecticut State University.

The new State Department on Aging will begin operations effective July 1, 2009.

## RECOMMENDED SIGNIFICANT CHANGES

### *Reductions to Current Services*

- Transfer Equipment to CEPF

| <u>2009-2010</u> | <u>2010-2011</u> |
|------------------|------------------|
| -6,100           | -3,500           |

## AGENCY SUMMARY

### *Personnel Summary*

#### Permanent Full-Time Positions

|              | 2008-2009<br>Total<br>Authorized | 2009-2010<br>Change From<br>2008-2009 | 2009-2010<br>Total<br>Recommended | 2010-2011<br>Change From<br>2009-2010 | 2010-2011<br>Total<br>Recommended |
|--------------|----------------------------------|---------------------------------------|-----------------------------------|---------------------------------------|-----------------------------------|
| General Fund | 4                                | 0                                     | 4                                 | 0                                     | 4                                 |

### *Financial Summary*

#### Capital Outlay

|                      | 2008-2009<br>Estimated | 2009-2010<br>Current<br>Services | 2009-2010<br>Total<br>Recommended | 2010-2011<br>Current<br>Services | 2010-2011<br>Total<br>Recommended |
|----------------------|------------------------|----------------------------------|-----------------------------------|----------------------------------|-----------------------------------|
| Personal Services    | 0                      | 330,750                          | 330,750                           | 334,615                          | 334,615                           |
| Other Expenses       | 0                      | 118,250                          | 118,250                           | 118,250                          | 118,250                           |
| Equipment            | 0                      | 6,200                            | 100                               | 3,600                            | 100                               |
| TOTAL - General Fund | 0                      | 455,200                          | 449,100                           | 456,465                          | 452,965                           |



# SOLDIERS, SAILORS AND MARINES FUND

## AGENCY PURPOSE

<http://www.ct.gov/ssmf>

- To provide temporary assistance to needy Connecticut wartime veterans and their families during periods of financial crisis.
- To provide counseling and guidance to veterans in helping to overcome the circumstances that give rise to the need

for assistance with the goal of restoring the veteran to financial self-sufficiency.

- To provide information and referral to veterans to appropriate local, state, and federal agencies or organizations in circumstances requiring long-term assistance.

## RECENT HIGHLIGHTS

In order to more substantially affect the circumstances of need most often encountered, increases were approved in the amounts of assistance provided in the areas of rental or mortgage assistance and weekly care and relief assistance. Additionally, the maximum threshold for assistance with funeral expenses was increased to \$6,000.

The agency executed a Memorandum of Agreement with the Connecticut National Guard outlining the responsibilities of each entity with regard to redeploying soldiers and airmen of the Connecticut National Guard.

The Special Bylaws of the American Legion Department of Connecticut governing administration of the Soldiers, Sailors and Marines Fund were revised by action of the Department Executive Committee. The revised Bylaws make more specific the income guidelines for provision of assistance, tying the maximum level of income allowed to a multiple of the federal poverty guidelines published annually by the Department of Health and Human Services.

The agency continues to strive to increase awareness among those eligible for assistance available through the Soldiers Sailors and Marines Fund. To this end the agency participates in the annual Department of Veterans' Affairs Stand Down. The agency provides informational presentations covering available assistance to each of the redeploying units of the Connecticut National Guard and Armed Forces Reserves in order to assist in the transition process for returning veterans.

## RECOMMENDED SIGNIFICANT CHANGES

### Reductions to Current Services

- Reduce Other Expenses
- Remove or Limit Inflation
- Ensure Soldiers, Sailors and Marines Fund is Self-Sustaining

|  | <u>2009-2010</u> | <u>2010-2011</u> |
|--|------------------|------------------|
| Reduce Other Expenses  | -4,801           | -4,801           |
| Remove or Limit Inflation                                    | -15,266          | -42,010          |
| Ensure Soldiers, Sailors and Marines Fund is Self-Sustaining | -593,619         | -612,683         |

Since FY2003, the expenditures of the Soldiers, Sailors and Marines Fund have exceeded the interest earnings of the Fund, resulting in a cumulative General Fund subsidy of over \$3.8 million. Under this proposal, funding is reduced to limit administrative costs of the Soldiers, Sailors and Marines Fund to no more than 25% of the appropriation. The reduction in administrative costs will ensure the Fund is self sustaining, operating within its available resources, and thereby eliminates the need for a General Fund subsidy. As a result of this proposal, there would be no impact on the amount of funding available to assist needy veterans and their families. This proposal is consistent with the Governor's initiative to streamline government operations.

## AGENCY SUMMARY

### Personnel Summary

#### Permanent Full-Time Positions

Soldiers, Sailors and Marines Fund

|                                    | 2008-2009  | 2009-2010   | 2009-2010   | 2010-2011   | 2010-2011   |
|------------------------------------|------------|-------------|-------------|-------------|-------------|
|                                    | Total      | Change From | Total       | Change From | Total       |
|                                    | Authorized | 2008-2009   | Recommended | 2009-2010   | Recommended |
| Soldiers, Sailors and Marines Fund | 12         | -8          | 4           | 0           | 4           |

Budget Summary

| <b>Financial Summary</b>                   | 2008-2009 | 2009-2010        | 2009-2010         | 2010-2011        | 2010-2011         |
|--|-----------|------------------|-------------------|------------------|-------------------|
|  | Estimated | Current Services | Total Recommended | Current Services | Total Recommended |
| Personal Services                          | 750,774   | 724,293          | 353,200           | 726,645          | 353,200           |
| Other Expenses                             | 84,321    | 87,589           | 82,788            | 87,600           | 82,799            |
| <u>Capital Outlay</u>                      |           |                  |                   |                  |                   |
| Equipment                                  | 9,975     | 0                | 0                 | 0                | 0                 |
| <u>Other Current Expenses</u>              |           |                  |                   |                  |                   |
| Award Payments to Veterans                 | 1,979,800 | 1,979,800        | 1,979,800         | 1,979,800        | 1,979,800         |
| Fringe Benefits                            | 446,806   | 446,526          | 224,000           | 463,238          | 224,000           |
| TOTAL - Other Current Expenses             | 2,426,606 | 2,426,326        | 2,203,800         | 2,443,038        | 2,203,800         |
| TOTAL - Soldiers, Sailors and Marines Fund | 3,271,676 | 3,238,208        | 2,639,788         | 3,257,283        | 2,639,799         |