

DDS Legislative Update – June 13, 2012

June 12, 2012 Special Session

The State Senate and House of Representatives convened a Special Session of the legislature on Tuesday, June 12, 2012. After several procedural resolutions were adopted including one that modified the original “call” of the Special Session to include subject matter other than language to implement the state’s revised budget for fiscal year 2013, the House and Senate took up and passed two large “implementer” bills.

The two “implementer” bills, [S.B. No. 501](#) **AN ACT IMPLEMENTING CERTAIN PROVISIONS CONCERNING GOVERNMENT ADMINISTRATION** and [H.B. No. 6001](#) **AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2012**, each had hundreds of sections that not only implemented the revised budget passed in the regular legislative session that ended on May 9, 2012 but also had numerous provisions that were in bills that failed to pass during the regular session and several new items. Two of the provisions in [H.B. No. 6001](#) are the substance of the department’s two bills that died in the regular session [H.B. No. 5105](#) - **AN ACT CONCERNING THE JOB EXPANSION TAX CREDIT PROGRAM AND INDIVIDUALS RECEIVING CERTAIN SERVICES FROM THE DEPARTMENTS OF MENTAL HEALTH AND ADDICTION SERVICES AND DEVELOPMENTAL SERVICES** and [H.B. No. 5367](#) - **AN ACT CONCERNING COMPETENCY TO STAND TRIAL**. Below is a summary of the provisions of these two bills that impact DDS.

Provisions of the S.B. No. 501 and H.B. No. 6001 Concerning DDS

[S.B. No. 501](#) **AN ACT IMPLEMENTING CERTAIN PROVISIONS CONCERNING GOVERNMENT ADMINISTRATION** S.B. No. 501 contains many provisions to clarify and implement provisions in the Education Reform Act ([PA 12-116](#)) passed in the 2012 regular session. It includes technical revisions to state statutes that the General Assembly’s Legislative Commissioners Office has proposed. The bill also has sections dealing with the conveyance of state property to towns and changes to the state’s insurance statutes. The link to the Office of Legislative Research summary of the bill is <http://www.cga.ct.gov/2012/BA/2012SB-00501-R00SS2-BA.htm>

Specific to DDS: Section 144 of the bill conveys property once used by DDS to the Town of Windsor. **Section 152** allows the OPM secretary to authorize state agencies to contract with private and nonprofit entities to facilitate the public’s electronic utilization of government programs and services.

[H.B. No. 6001](#) **AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2012** H.B. No. 6001 contains many provisions related to Medicaid services, the newly created Department of Housing, employment and job creation in the state, childhood immunization, school nutrition programs, state police staffing levels, and changes to statutes

affecting guardianship for children. The link to the Office of Legislative Research summary of the bill is <http://www.cga.ct.gov/2012/BA/2012HB-06001-R00SS2-BA.htm>

Specific to DDS: Section 2 specifies that Medicaid dental benefit limitations are specific to the Medicaid client, regardless of how many providers serve the client. Current law (1) subjects most nonemergency Medicaid dental services to prior authorization and (2) directs the DSS commissioner to limit nonemergency dental services provided to adult recipients. This latter provision includes allowing for one periodic dental exam, one dental cleaning, and one set of x-rays yearly for healthy adults. The bill provides that these dental benefit limitations apply to each client regardless of how many providers serve the client.

Sections 5, 6, 7 and 15 require DSS to reduce the amount it reimburses (1) private facilities operated by regional education service centers for individuals with developmental disabilities and autism, (2) nursing homes, (3) ICF-MRs, and (4) residential care homes (RCH) if these facilities experience a “significant” decrease in their land and building costs to reflect these cost reductions. For FYs 12 and 13, PA 11-44 (1) froze the payments to these facilities unless they made a required capital improvement for resident safety and (2) allowed DSS to make lower payments over previous years to facilities for which it had issued interim rates. H.B. No. 6001 eliminates the freeze and lower interim rate-based payment authority for FY 2013.

The bill provides that the rates DSS pays to RCHs, community living arrangements (group homes), and community companion homes that receive in FY 12 the flat rate for residential services provided for in state regulation remain in effect in FY 13. State regulations permit these facilities to have their rates determined on a flat rate basis rather than individually on the basis of cost reports they submit to DSS. The bill provides that for FY 13, DSS, within available appropriations, can provide rate increases to an RCH, but a facility that would have been issued a lower rate due to its interim rate status must be issued that lower rate.

Section 18 requires DSS, beginning October 1, 2012, to reimburse independent pharmacies for dispensing brand name drugs to Medicaid recipients a higher rate than it pays chain pharmacies, contingent on federal approval.

Section 27 requires the DSS commissioner to issue a flyer to pharmacies to distribute to Medicaid recipients who receive a one-time, 14-day supply of their prescription when prior authorization is needed and the pharmacy has not yet received the authorization. The flyer must notify the recipients that (1) prior authorization is needed for that prescription to be filled, (2) the 14-day supply is a one-time supply, and (3) they must contact the prescriber to arrange for prior authorization for a full prescription to be filled.

Sections 28 through 95 (1) make the Bureau of Rehabilitative Services, created by PA 11-44, a stand-alone entity rather than a bureau within DSS for administrative purposes, (2) renames it the Department of Rehabilitation Services, (3) makes the department head a commissioner instead of

an executive director, and (4) makes the newly named bureau a successor authority to the previously named bureau. Under PA 11-44, the bureau was authorized to perform all of the administrative and programmatic functions of the Board of Education and Services for the Blind, the Commission on Deaf and Hearing Impaired, and other state rehabilitation services. **Section 297** repeals obsolete provisions regarding the newly named Department of Rehabilitation Services.

Section 101 moves CHRO from the Department of Administrative Services to the Labor Department for administrative purposes only.

Section 142 enacts the provisions of DDS's [H.B. No. 5367](#) - **AN ACT CONCERNING COMPETENCY TO STAND TRIAL** that died in the regular session. The bill permits a court to require notice if a defendant found incompetent to stand trial because of an intellectual disability is released from custody before the statute of limitations for prosecuting him or her expires. If a defendant is a person with an intellectual disability and a court determines at any time that he or she is not likely to attain competency or is not competent at the end of the placement period, the law allows a court to order him or her placed in the custody of the developmental services commissioner for civil commitment. The bill allows the court to order the commissioner to notify it if the department releases the defendant before the statute of limitations for prosecuting him or her has expired.

Section 199 enacts the provisions of DDS's [H.B. No. 5105](#) - **AN ACT CONCERNING THE JOB EXPANSION TAX CREDIT PROGRAM AND INDIVIDUALS RECEIVING CERTAIN SERVICES FROM THE DEPARTMENTS OF MENTAL HEALTH AND ADDICTION SERVICES AND DEVELOPMENTAL SERVICES** that died in the regular session. The bill extends the \$900 per month job expansion tax credit to employers hiring people: 1. receiving services from DMHAS or 2. participating in DSS-funded or -operated programs providing employment opportunities and day services. An employer qualifies for the credit if these new hires work at least 20 hours per week for at least 48 weeks in a calendar year.

By law, the credits apply against the insurance premium, corporation business, utility company, or personal income tax and are available to businesses that create new jobs and hire certain Connecticut residents to fill them. A business meeting the hiring criteria qualifies for the credit only for jobs it creates between January 1, 2012, and January 1, 2014. To be eligible, the business must (1) have been in business for 12 consecutive months before applying for the credits and (2) liable for any of the taxes to which the credits apply. Further, the jobs must not have existed in Connecticut before the application and be filled by eligible employees. July 1, 2012 is the effective date of this section and it is applicable to income or taxable years commencing on or after January 1, 2012.

Section 250 raises, from \$10,000 to \$250,000, the limit on state agency purchasing card (P-Card) transactions and purchases. It authorizes agencies to exceed this limit if they receive written approval from the comptroller and DAS commissioner. The P-Card program is a credit card program that DAS and the Office of the State Comptroller co-sponsor.

Note: This is a brief update of the **June 12th Special Session**. The DDS Legislative Affairs team is compiling an end-of-session Legislative Summary for the 2012 session that will be available in the next few weeks.