

Testimony in Support of

H.B. No. 5030: An Act Making Adjustments to State Expenditures
for the Fiscal Year Ending June 30, 2015

Sharon D. Langer, M.Ed., J.D.

Appropriations Committee

February 22, 2013

Senator Bye, Representative Walker, and members of the Appropriations Committee:

I am testifying today on behalf of Connecticut Voices for Children, a research-based public education and advocacy organization that works statewide to promote the well-being of Connecticut's children, youth, and families. I am here today to testify concerning the Governor's proposals for the HUSKY (Medicaid and CHIP) program.

Connecticut Voices **supports** the Governor's proposals to:

- **Increase funding in order to maintain higher reimbursement rates for primary care providers in the HUSKY program.** Under the Affordable Care Act, the federal government reimbursed states 100% for rate increases during calendar years 2013 and 2014 in order to encourage more primary providers to participate in the program. The rate increases doubled the rates from previous levels. The strategy has been successful and more providers are enrolled. Governor Malloy is to be commended for proposing to invest state dollars to ensure that the higher rates remain in place during the latter half of FY 15. (At least fifty percent of the additional costs will be reimbursed by the federal government).
- **Maintain funding for HUSKY Performance Monitoring.**¹ (\$208,050)
Independent performance monitoring has been state-funded since 1995 and is conducted by Connecticut Voices under a contract between DSS and the Hartford Foundation for Public Giving. This project provides information on enrollment patterns, long-term trends in the use of children's health services, including well-child, dental, emergency, and asthma care, among other analyses.² Connecticut Voices appreciates the ongoing support of this project by the legislature, and the Governor's inclusion of the funding in his budget proposal for FY 15.
- **Increase access to community based supports for medically fragile children under the "Katie Beckett" Medicaid Waiver program.** (\$750,000 after federal reimbursement)
We applaud the Governor for providing additional funding to increase the number of children served under this Medicaid program from 200 to 300. These are children with complicated medical conditions requiring special services to maintain them in their homes rather than in costly institutional settings.
- **Add more staff to the Department of Social Services to help address delays in processing HUSKY (and other program) applications/renewals.** Given the on-going and serious problems in timely responding to calls at the Department's benefit center, and the back-log of cases (including those that are supposed to be quickly - "presumptively" -

processed), more trained and well deployed staff are needed to deal with the challenges faced by the Department and its clients.

In addition, we urge the legislature to require DSS to change its “default” action at renewal and continue HUSKY coverage for individuals until DSS has been able to make a final determination of eligibility. We make this recommendation because individuals and families often lose coverage at the time of renewal because of processing delays at DSS, even though they have submitted all the requested information. Individuals who have timely submitted their renewal should not lose their insurance coverage.

We also urge the legislature to restore **“continuous eligibility” for children to stabilize coverage in the HUSKY Program.**³

“Continuous eligibility” is a state option under federal Medicaid and CHIP law that stabilizes enrollment by providing 12 months’ coverage regardless of changes in family circumstances – typically income or family size. Currently, 23 states offer continuous eligibility for children in their Medicaid and CHIP programs, and an additional nine states have continuous eligibility for children in their CHIP programs.⁴ Research shows that continuous eligibility for children stabilizes enrollment with longer periods of coverage on average.⁵ Recently, the federal Centers for Medicare and Medicaid Services recommended that states provide continuous eligibility for children and consider continuous eligibility for parents and other adults.⁶ Connecticut had continuous eligibility for children between 1999 and 2003.

Continuous eligibility is one strategy that can also ease the burden on DSS staff and reduce administrative costs – costs incurred when individuals lose coverage and need to reapply during the year.⁷ Data from other states show that administrative costs for re-enrolling an eligible individual are over \$200 in CPI-adjusted dollars.⁸ In addition, research has shown that individuals who return to the program after a gap in coverage are more likely to incur *increased* medical costs.⁹ Having gone without insurance, their health may have deteriorated requiring more intensive levels of care, including visits to the emergency department that could have been averted if they had maintained coverage and access to regular medical care.

Thank you for the opportunity to testify in support of the Governor’s budget recommendations for the HUSKY budget and to suggest additional improvements to this important health coverage program that benefit hundreds of thousands children and families in Connecticut.

¹ The funding for Independent Performance Monitoring appears in the Department of Social Services Budget Summary line item as the “Children’s Health Council*” and notes that the “Children’s Health Council” would be renamed “HUSKY Performance Monitoring” (pages B-58 and B-59). Available at <http://www.ct.gov/opm>

² HUSKY Performance Monitoring reports are available at <http://www.ctvoices.org/> .

³ See Raised Bill 5137, An Act Concerning The Eligibility of Children Enrolled in the HUSKY Plan. Available at <http://www.cga.ct.gov/2014/TOB/H/2014HB-05137-R00-HB.htm>

⁴ Georgetown University Health Policy Institute Center for Children and Families. Medicaid/CHIP renewal procedures for children. Washington, DC: Center for Children and Families, August 11, 2013. Available at: <http://ccf.georgetown.edu/wp-content/uploads/2012/04/MedicaidCHIP-Enrollment-Procedures-for-Children2.pdf>

⁵ Ku L, Steinmetz E, Bruen BK. Continuous-eligibility policies stabilize Medicaid coverage for children and could be extended to adults with similar results. *Health Affairs* 2013, 9: 1576-1582.

⁶ Centers for Medicare and Medicaid Services. Facilitating Medicaid and CHIP enrollment and renewal in 2014 (SHO #13-003; ACA #26). Letter to State Health Officials and State Medicaid Directors, May 17, 2013.

⁷ Seifert R, Kirk G, Oakes M. Enrollment and disenrollment in MassHealth and Commonwealth Care. Massachusetts Medical Policy Institute, April 2010, Available at:

http://www.massmedicaid.org/sites/default/files/download/publication/2010_4_21_disenrollment_mh_cc_0.pdf

⁸ Seifert R, Kirk G, Oakes M. Enrollment and disenrollment in MassHealth and Commonwealth Care. Massachusetts Medical Policy Institute, April 2010, Available at:

http://www.massmedicaid.org/sites/default/files/download/publication/2010_4_21_disenrollment_mh_cc_0.pdf

⁹ Seifert R, Kirk G, Oakes M. Enrollment and disenrollment in MassHealth and Commonwealth Care. Massachusetts Medical Policy Institute, April 2010, Available at:

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