

## Testimony Regarding HB 7148: An Act Concerning the State Budget Biennium Ending June Thirtieth, 2021, and Making Appropriations Therefor

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Appropriations Committee  
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Senator Osten, Representative Walker, Senator Formica, Representative Lavielle, and esteemed members of the Appropriations Committee,

I am testifying today on behalf of Connecticut Voices for Children, a research-based child advocacy organization working to ensure that all Connecticut children have an equitable opportunity to achieve their full potential. Thank you for this opportunity to submit testimony regarding the Governor's proposed biennium budget for the Department of Social Services. In separate testimony, I have submitted comments on the proposed budget for the Department of Public Health and my colleague, Lauren Ruth, is testifying on the proposed budget for the Department of Children and Families.

We urge the committee to ***maintain the provisions of the Governor's Budget that protect families' eligibility for Medicaid and CHIP*** and recommend a series of strategic investments and cost-saving measures across health and social service agencies. For example, the Department of Social Services will see an increase in eligibility staff. This step may alleviate some of the concerns related to reports of difficulty in renewing and applying for services and issues with call center wait times that have been voiced at recent events, such as the Council on Medical Assistance Program Oversight (MAPOC) meetings. To evaluate whether or not increased staffing addresses these concerns, the Department of Social Services should report to MAPOC on Medicaid disenrollment by reason on a monthly basis.

The budget recommendations include applying several cost-saving measures to Medicaid. Innovative efforts such as supportive housing for high cost, high need individuals included in the proposed budget could offer a path to better addressing social determinants of health through the HUSKY Health programs. The supportive housing initiative is a collaboration between the Department of Social Services and the Department of Housing to provide support for individuals who experience homelessness and incur high medical costs, often due to co-occurring uncontrolled chronic disease and substance use disorders. This ***whole-person delivery model has the potential for dramatic improvements in health outcomes and savings*** in state spending across sectors.<sup>1</sup> We are optimistic that careful analysis of this project can inform potential future expansion to other populations for whom community-based supports would improve outcomes and reduce medical costs. For example, Connecticut's Medicaid program was included in an Early Childhood Innovation Lab<sup>2</sup> and could, but does not yet, apply new approaches to addressing social determinants of health for families with young children. Lessons from the supportive housing project may be relevant to families at risk of homelessness or in need of community-based supports. Further, implementing the Diabetes Prevention Program could both improve outcomes and save costs for Medicaid recipients over age 45.<sup>3</sup>

The impact of other measures intended to maximize efficiency depends heavily on how such measures are operationalized. For example, utilization management could limit use of a broad array of services or

prescription drugs and result in reduction of unnecessary or sub-optimal utilization of specific interventions. However, utilization management can also serve as a barrier to care by adding administrative burden for interventions or medications that are both expensive and necessary.

Similarly, hospital readmission rates can be reduced by improving the health of patients and increasing coordination with community-based supports, but readmission rates also drop when mortality rates increase. Thus, any reward for such reductions must include quality measures and account for potential underservice for people with complex and chronic illnesses, particularly when they lack supports such as adequate food and housing. Without such supports, it can be nearly impossible to manage one's illness. Existing hospital readmission rate reduction programs have been criticized<sup>4</sup> for using inadequate quality controls and failing to account for variations in the socio-economic status of the populations served by different hospitals. Such efforts are more likely to improve outcomes and reduce costs when carefully implemented and coupled with innovations that address social determinants of health, such as the housing support initiative noted above. ***We recommend transparency in the design and evaluation of utilization management and hospital readmission rate reduction initiatives.***

Finally, the Governor's Budget maintains current Medicaid eligibility limits, but does not reverse the cut in eligibility for parents and caregivers made in 2015. This cut resulted in over 11,000 parents/caregivers losing Medicaid coverage. ***Restoring parent eligibility limits to 201% FPL (\$42,873 for a family of three) would align eligibility limits for parents and children and address the needs of families who are uninsured.*** These parents cannot afford the out-of-pocket costs associated with commercial health plans offered on the state health insurance exchange (even with full cost sharing subsidies). As the state considers raising the minimum wage, we must make certain that families can remain insured when their income increases. For parents in the 155-201% FPL range, restoring Medicaid to 201% FPL is the most immediate and feasible way to do so.

Aligning parent and child eligibility limits eliminates confusion about which members of a family are covered at any given time and as income fluctuates. Further, since children are both more likely to be insured and to see a doctor when their parents are covered, restoring parent eligibility likely would have a positive ripple effect on children.<sup>5</sup> Several studies show that Medicaid coverage has lifelong positive impacts on children's health and success in school and work, reduces state spending on uncompensated care as well as on juvenile justice and corrections, and may improve employment.<sup>6</sup> Ultimately, Medicaid coverage for families is a wise investment in the well-being of our state.

Thank you for the opportunity to testify regarding the Governor's proposed budget for the Department of Social Services. I can be reached with any questions at [ksiegel@ctvoices.org](mailto:ksiegel@ctvoices.org) or at 203-498-4240, ext. 120.

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<sup>1</sup> Kaiser Family Foundation. (2017). "Linking Medicaid and Supportive Housing: Opportunities and On-the-Ground Examples." Retrieved from: <https://www.kff.org/report-section/linking-medicaid-and-supportive-housing-issue-brief/>

<sup>2</sup> Center for Health Care Strategies, Inc. (2018). "Medicaid Early Childhood Innovation Lab: Project Overview and Site Activities." Retrieved from: [https://www.chcs.org/media/MECIL\\_Overview\\_062918.pdf](https://www.chcs.org/media/MECIL_Overview_062918.pdf)

<sup>3</sup> Diabetes Prevention Program Research Group. (2009). "10-year Follow-up of Diabetes Incidence and Weight Loss in the Diabetes Prevention Program Outcomes Study." *The Lancet*. 374:9702. Retrieved from: [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(09\)61457-4/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(09)61457-4/fulltext)

<sup>4</sup> NEJM Catalyst. (2018). "Hospital Readmissions Reduction Program (HRRP)." Retrieved from: <https://catalyst.nejm.org/hospital-readmissions-reduction-program-hrrp/>

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<sup>5</sup> Hudson, J and Moriya A. (2017) “Medicaid Expansion for Adults had Measurable ‘Welcome Mat’ Effects on Their Children.” *Health Affairs*; September 2017 36:91643-1651. Retrieved from: <http://content.healthaffairs.org/content/36/9/1643.abstract>

<sup>6</sup> Kaiser Family Foundation. (2018). “The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review.” Retrieved from:

See also: Center for Children and Families at Georgetown. (2017). “Medicaid is a Smart Investment in Children.” Retrieved from: <https://ccf.georgetown.edu/wp-content/uploads/2017/03/MedicaidSmartInvestment.pdf>