

Human Services Committee JOINT FAVORABLE REPORT

Bill No.: SB-1110

AN ACT CONCERNING VARIOUS REVISIONS TO THE DEPARTMENT OF

Title: SOCIAL SERVICES STATUTES.

Vote Date: 3/21/2023

Vote Action: Joint Favorable Substitute

PH Date: 2/28/2023

File No.:

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Human Services Committee

REASONS FOR BILL:

The Department of Social Services is responsible for the upkeep and maintenance of the state's Medicaid program. Staff is trained to provide assistance to those who are either enrolled or want to apply for Medicaid. It is important for DSS to undergo routine reviews to ensure staff is being effective and productive in their daily operations. Additionally, the Connecticut Energy Assistance Program has been a lifeline for many as the cost of fuel and oil has increased. Fuel vendors have expressed concerns about the timeframe in which they are reimbursed as it leads to uncertainty as to whether they will be paid in time. This bill will delete obsolete reporting requirements, clarify the liability of third-party private insurers and other obligors for the costs of certain medical assistance, reduce from thirty to ten days the amount of time a fuel vendor participating in the low-income home energy assistance program shall be paid, and establish bundled Medicaid payments for maternity services.

SUBSTITUTE LANGUAGE:

The substitute language provides a provision that would have eliminated annual Medicaid waiver reports to the committee. It limits the use of alternative payment methodologies for maternity services. Additionally, it adds the following requirements to the provision mandating fuel vendor payment within 10 days in the LIHEAP program: allows vendor opt-in for electronic payment and electronic submission of authorized fuel slip, regional rack pricing, discount off the retail price, and payment based on fuel price on the date of delivery.

RESPONSE FROM ADMINISTRATION/AGENCY:

Department of Social Services (DSS), Commissioner, Andrea Barton-Reeves; supports this bill stating that revisions to existing statutes will improve the productivity of DSS staff and ensure the agency is complying with federal law. It is stated that reducing the timeframe that fuel vendors get paid from 30 to 10 days will provide financial security and limit any industry worries. It is also stated that the required annual report detailing specific cost-saving measures is duplicative as the process already exists.

NATURE AND SOURCES OF SUPPORT:

None stated.

NATURE AND SOURCES OF OPPOSITION:

Connecticut Association of Health Care Facilities / Connecticut Center For Assisted Living, President & CEO, Matt Barrett; opposes this bill stating the broad authority granted to the DSS Commissioner, contained in section 6 line 39, to utilize any payment methodology that they deem valid in the pursuit of their mission objective. It is stated the Commissioner should be being able to implement such policies, on a case-by-case basis, subject to prior approval from the state legislature.

Connecticut Hospital Association; opposes section 6 of this bill stating they support the informal process the DSS currently implements for notice and comments by key stakeholders and therefore supports the efforts of DSS to implement an alternative payment model (APM) for maternity cases. It is stated that DSS should not be able to adopt policies for any intended APM health coverage without oversight from the legislature or input from stakeholders. It is stated at least 25% of cost savings should go to birthing hospitals.

Connecticut State Medical Society; opposes section 6 of the bill, which they believe allows for the DSS Commissioner to implement APMs for maternity and other medical areas, and questions how the models will be implemented. It is stated they are concerned by the sweeping authority granted by the bill to implement APMs.

Connecticut Orthopaedic Society, President, Tarik Kardestuncer; opposes section 6 of the bill stating their concerns around the scope of the ability to implement alternative payment models (APMs) not just for the named maternity cases, but for all medical cases. It is stated there is a lack of a review process for appeals on policies.

LeadingAge Connecticut, President, Mag Morelli; opposes section 6 of the bill stating concerns regarding alternative payment models (APMs). It is stated that this is a broad mandate to apply APMs to any medical area the DSS chooses. It is stated that with the 5% cut to the 5% nursing per diem rate, DSS may wish to expand its powers if given unchecked authority.

One person submitted testimony anonymously in opposition to this bill.

Reported by: James McNealey

Date: March 31, 2023