

**COMMISSION ON ENHANCING AGENCY OUTCOMES
SUMMARY SHEET**

Update on Proposal #33 to Pursue a Section 1115 Medicaid Waiver for SAGA

What are Medicaid Waivers? An agreement with the federal Centers for Medicare and Medicaid Services (CMS) for a state to provide Medicaid coverage to additional populations currently ineligible due to income or other factors. Waivers are initially approved for three years with subsequent applications for renewals every five years.

A cost neutrality test must be passed, demonstrating that every additional federal dollar spent on a waiver program is offset by a funding reduction in other federal Medicaid spending. For the SAGA Waiver, offset dollars were expected to be found in the unspent federal disproportionate share hospital (DSH) payments. Connecticut currently has eight Medicaid waivers.

Medicaid Waivers in Connecticut as of March 2010	
Waiver (since)	^aPopulation/Purpose:
DSS Medicaid Waivers	
Home Care Program for Elders (CHCPE) (1987)	<ul style="list-style-type: none"> • 9,288 persons aged 65 and over • Home health care and related community-based services • Financially ineligible for regular Medicaid • Would otherwise be in nursing homes
Personal Care Assistance (PCA) (1996)	<ul style="list-style-type: none"> • 748 persons aged 16-64 • Consumer-directed personal care assistance services • People with physical disabilities • Would otherwise require institutionalization
Acquired Brain Injury (ABI) (1997)	<ul style="list-style-type: none"> • 359 persons aged 18-64 • Personal care assistance and other support services • People with brain injuries at the brain stem level and above • Helps recipients remain in the community
Katie Beckett Waiver (1983)	<ul style="list-style-type: none"> • 187 (primarily) children with severe physical disabilities • Provides full Medicaid eligibility, case management and home health care • Would otherwise require institutionalization • Financially do not qualify for Medicaid based on parental/spousal income
Husky A (1995)	<ul style="list-style-type: none"> • 367,605 families with children on welfare or otherwise eligible due to low income • Capitated managed care HMO-type system
DDS Medicaid Waivers	
Comprehensive Supports (1987)	<ul style="list-style-type: none"> • 4,628 persons aged 18 and over • Provides home and community services to people with developmental disabilities in group homes, organized day programs, or living in their own homes • Would otherwise require institutionalization
Individual and Family Support (IFS) (2005)	<ul style="list-style-type: none"> • 3,930 persons aged 10 and over • Provides home and community services to people with developmental disabilities living in their own or their family's home who do not need 24-hour services
DMHAS Medicaid Waiver	
Individuals with Serious Mental Illness (WISE) (2009)	<ul style="list-style-type: none"> • 20 persons aged 18-64 (expected to ultimately serve 216) • Home and community psychiatric and medical services • Population currently in nursing facilities or at risk for this level of care • Would allow participants to live in the community and avoid institutional care
^a CT Commission on Aging, "Break Down the Silos" chart, 12/9/09. Sources: Office of Legislative Research (Report # 2005-R-0617) Centers for Medicare and Medicaid Services website (www.cms.hhs.gov)	

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What is the State-Administered General Assistance (SAGA) program? A state-funded program providing cash and/or medical assistance for approximately 40,549¹ low-income individuals who are deemed unemployable or unable to work in the short-term or long-term due to medical or other reasons. The SAGA program also covers families that do not meet the blood-relationship requirements of the Temporary Family Assistance program.

The SAGA program medical assistance includes almost all services covered under the Connecticut Medicaid program with the exception of long-term care and non-emergency medical transportation. Services are received from clinics and doctors enrolled with Community Health Network of Connecticut, which enrolls health centers, hospitals and individual doctors (primary care physicians, specialists) into the new SAGA primary care provider network.

Status of the Section 1115 Medicaid Waiver for the SAGA program

- The June 30 Sp. Sess. P.A. 03-3 directed DSS to submit a waiver application to provide Medicaid coverage to SAGA recipients (CGS Sec. 17b-192(g)).
- The deadline by which DSS was to seek this federal waiver was subsequently extended from March 1, 2004 to January 1, 2008.
- Most recently, DSS delayed preparation of the waiver application pending possible passage of national health care reform, which would then make the waiver unnecessary.

Summary: As DSS anticipated, passage of national healthcare reform has eliminated the need for a waiver to cover the SAGA population under Medicaid. SAGA recipients can now be covered under Medicaid as early as April 1, 2010, with the federal government (CMS) matching 61 percent of the program through 2011, and 50 percent thereafter. In order for the coverage to occur, Connecticut must first file a state plan amendment (SPA). Given the newness of national health care reform, however, the state is awaiting federal guidance on exactly how to implement this change.

As application for a SAGA Medicaid waiver is no longer necessary, there is an **immediate savings of \$100,000** (based on the earlier budgeted expense for preparation of the waiver application). Further, the inclusion of the SAGA population under Medicaid is expected to save Connecticut approximately **\$38.6 million** annually; however, *none of the savings can be realized without DSS promptly filing a state plan amendment.*

¹ As of July 2009 (Source: OLR Backgrounder 2009-R-0328).