

2008 Upcoming Health Issues for Connecticut

Connecticut will be tackling some important health care issues this year as well as refining policies and program changes that passed last year.

HUSKY

In response to their refusal to comply with state freedom of information laws, the Governor terminated financial risk contracts with the four HUSKY managed care organizations in November. All denials of care are now decided by DSS alone, not the managed care companies. As of April 1st all 388,000 HUSKY clients and their providers will have to choose among two remaining companies, Anthem and Community Health Network, or enter the fee-for-service system. DSS plans to re-bid for HUSKY services, together with the Charter Oak Plan (see below), requiring that by July 1st clients would again have to choose among a new set of managed care plans that is yet to be determined.

Concerns: Advocates and legislators have voiced concerns about the rapid succession of difficult transitions for consumers and providers within an already troubled program. Advocates are calling for a one year delay of the new contracts, allowing for evaluation of the transition's effects, more thoughtful future planning, and time to inform consumers about their options. Legislation to delay the new contracts is likely.

Last year, the legislature passed legislation creating a pilot of Primary Care Case Management (PCCM) as an alternative to managed care companies for HUSKY. Given the abrupt exit of the companies from the program, implementation of an alternative system that is based on the health and financial benefits of managing care but includes the accountability and transparency not found in traditional, private managed care companies is even more critical. It provides a safety net for the state and for HUSKY families in a time of instability .

Concerns: Because of the upheaval in the HUSKY program, little progress has been made toward implementation of PCCM; the deadline for plan design has passed. Expect legislative interest in encouraging PCCM and care management more generally.

Behind closed doors at the end of last year's legislative session, a little-noticed provision was inserted into the budget allowing DSS to implement a premium assistance program for HUSKY. The provision, originally proposed by the Governor, had been rejected by the legislature for the last five years. Premium assistance would require families with access to employer sponsored insurance to sign up for it and disenroll from HUSKY. The families would have premiums deducted from their paychecks and somehow be reimbursed by DSS for premiums, copays, deductibles and the costs of care that isn't covered such as prescriptions and dental care. Dozens of states have tried to implement premium assistance and failed - consumers have encountered great difficulty accessing care, employers struggle with the state's paperwork requirements, and states found that they didn't save money.

Concerns: This proposal was not agreed to by legislators negotiating the budget, and has not been implemented by DSS. Expect legislation to repeal the authorization.

Medicaid

The Governor's budget proposal makes significant changes to Medicaid including elimination of translation services for patients who don't speak English saving \$4.7 million in the next fiscal year. The Governor has also proposed saving \$4.5 million by reducing standards of appropriate, medically necessary care for patients.

Concerns Over 22,000 Connecticut residents with limited English proficiency relied on the Medicaid program for their health in 2003 and used about 5% of the program's services. Expect advocates to call for the legislature to reject the Governor's cuts to HUSKY.

Charter Oak

Last year, the Governor proposed creating a program of state-subsidized private insurance coverage to address the needs of CT's 325,000 uninsured. The legislature agreed to appropriate \$2 million to study and design the plan this year and \$11 million to implement it in FY 2009. In November, DSS released a prospectus announcing that they will request bids from managed care organizations linking participation in Charter Oak with HUSKY - plans will have to bid on both programs. The proposal does not comply with consumer protections in state insurance laws, particularly mental health parity or access to independent utilization review.

Concerns: The legislature never approved important provisions of the Charter Oak proposal including linkage with HUSKY and a limited benefit package that is not consistent with state laws governing private insurance. Expect legislation to separate HUSKY and Charter Oak and to improve benefits, reduce consumer cost sharing and delay Charter Oak implementation to allow for public input.

Covering the Uninsured

Three proposals are currently being considered by the state to cover CT's 325,000 uninsured residents. The Governor has proposed the Charter Oak Plan (see above) which is expected to cover 8,700 uninsured CT residents next year. Senate Democrats have proposed a system of universal access to primary care for every CT resident; a task force is studying that proposal and their report is due at the end of the year. House Democrats have proposed allowing municipalities to join the state employee health plan to cover their employees, potentially offering municipalities significant savings on health benefit costs, and creating a large pool that could eventually be opened to CT's uninsured. Another task force is considering these and other options and will also report back to the legislature at the end of 2008. Expect legislation allowing municipalities to buy into the state employee health purchasing pool.

Sources:

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