

March 31, 2009

TESTIMONY

APPROPRIATIONS AND HUMAN SERVICES COMMITTEES

Re: HUSKY waiver proposal and impact on PCCM

Ellen Andrews, PhD

Executive Director

Thank you for the opportunity to voice our strong opposition to DSS' proposed waiver for HUSKY.

Two years ago, realizing that the state needed an alternative to the increasingly troubled HUSKY HMOs, the state passed a requirement that DSS implement a Primary Care Case Management (PCCM) program option for HUSKY families. The law required DSS to submit a plan for PCCM to your Committees for approval, which they received on 9/24/08. The plan submitted by DSS was the collaborative result of hard work and negotiation by a working group of advocates, providers and DSS staff. During the summer of 2008, advocates crossed the state actively recruiting providers for the program. A statewide invitation to participate was issued by DSS which received an "enthusiastic provider response across the state." However, subsequently, DSS has violated many parts of that plan, most notably restricting PCCM to two small communities – Waterbury and Willimantic – retarding its growth and ensuring it is not sustainable for providers.

DSS has now drafted this waiver application to CMS to continue to operate the HUSKY program under managed care beyond July 1st. This waiver proposal codifies DSS' unilateral decision to limit PCCM to only Waterbury and Willimantic. It includes no reference to a commitment or a timeline to expand PCCM statewide, only a vague and strictly qualified reference to the possibility. **We call on members of the Human Services and Appropriations Committees to reject the HUSKY waiver application, insisting that PCCM be implemented state wide.**

PCCM is a way of running HUSKY without HMOs. In PCCM, consumers choose a primary care provider (PCP), such as a clinic or doctor, who is responsible for providing most of their regular, primary health care and for managing all their care. Patients who need specialty care are not left on their own to find a willing provider, but the PCP makes the appointment and follows up to ensure that the problem is solved. PCPs bill the state directly at fee-for-service rates for the treatments they provide and receive an additional \$7.50 per member per month for care coordination services. Thirty other states successfully use PCCM to run their Medicaid managed care programs, enjoying reduced

costs, improved patient outcomes, better consumer satisfaction and higher provider participation rates.

The CT Health Policy Project estimates that PCCM could save the state \$113 million annually. DSS acknowledges that PCCM will cost the state no more than HMOs have.

HUSKY desperately needs PCCM.

- Consumers struggling to access care within HMOs need another option
- PCCM will attract more desperately needed providers to HUSKY as they won't have HMO hassles
- Last year DSS granted the HUSKY HMOs a 24% rate increase, PCCM provides the state competition for price
- PCCM provides the state with an option if the HMOs threaten to leave HUSKY again
- PCCM builds on the very successful patient-centered medical home model being tested and adopted by several payers including Medicare and NCQA
- PCCM is built on prevention – keeping people well and out of the emergency room
- PCCM supports precious primary care capacity in CT; like most states CT is facing a serious shortage of primary care providers in the future
- PCCM provides an accountable, transparent system to administer care for the largest purchasing pool in CT; the HMOs have resisted accountability and transparency and DSS has been unwilling to enforce those provisions.

I strongly urge you to reject DSS' waiver application. The state should keep its word to providers, consumers, advocates and the General Assembly and implement PCCM statewide.

Thank you for your time and your commitment to fairness and the health of every Connecticut resident.

PCCM policy planning			
Legislation 42 Conn. Gen. Stat. § 17b-307	Committee approved DSS plan 9/24/08 w/o revision	PCCM workgroup – advocates, providers and DSS staff	DSS actions
Requires at least 1000 enrollees			160, severely limited eligibility
	Statewide – all willing primary care providers		Limited to Waterbury & Willimantic
		Take applications on rolling basis	Limited applications to narrow time limit
	Statewide – enroll any HUSKY Part A consumers in area of participating PCPs on voluntary basis		Limited to only a sample of current patients of participating providers
	Develop PCCM specific informational materials, make available to providers and patients	Developed marketing materials, approved by DSS staff, including legal	Marketing materials never approved
	Consumer focus groups, surveys, etc.	Developed marketing plan to match HMO marketing	No marketing activities
	Recruit PCPs statewide	Aggressive recruitment of PCPs statewide	Over 350 PCPs applied, only 25 allowed to participate based on geography
		Developed many options to name the program, secured pro bono legal resources to check copyrights	DSS rejected all names offered
		Designated pediatricians and adult primary care providers to be included in pilot	Implemented availability of OB- GYNs as further limiting factor
		PCPs not subject to FOI	Included FOI in PCP contracts
		Practices able to bring new patients into PCCM	Only current HUSKY patients
		Smaller practices could share care managers	Each practice must hire full time care manager
Implementation date of 4/1/08	1/1/09	1/1/09	Implemented 2/1/09