

Department of Social Services DSS60000

	Actual Expenditure FY 08	Estimated FY 09	Governor Recommended FY 10	Governor Recommended FY 11	Legislative FY 10	Legislative FY 11
POSITION SUMMARY						
Permanent Full-Time	1,814	1,871	1,893	1,893	1,903	1,913
Permanent Full-Time - OF	260	277	277	277	277	277
Permanent Full-Time - OF	36	55	39	39	39	39
BUDGET SUMMARY						
Personal Services	112,377,188	118,437,001	119,992,027	120,473,739	120,822,641	121,948,904
Other Expenses	87,959,959	90,698,634	95,698,014	95,737,357	88,098,799	88,348,799
Equipment	0	950	100	100	100	100
Other Current Expenses						
Children's Health Council	109,158	207,401	0	0	218,317	218,317
HUSKY Outreach	1,663,989	1,621,129	1,206,452	1,206,452	706,452	706,452
Genetic Tests in Paternity Actions	154,701	191,142	201,202	201,202	201,202	201,202
State Food Stamp Supplement	214,797	262,691	408,616	511,357	408,616	511,357
Day Care Projects	478,820	478,820	448,820	448,820	478,820	478,820
HUSKY Program	32,522,121	52,306,416	32,741,200	34,393,900	34,261,200	35,963,900
Energy Assistance Programs	0	2,000,000	0	0	0	0
Childrens' Trust Fund	0	0	0	0	11,423,456	13,673,147
Charter Oak Health Plan	0	0	20,830,000	34,010,000	13,730,000	22,510,000
Other Than Payments to Local Governments						
Vocational Rehabilitation	7,379,553	7,386,668	7,386,668	7,386,668	7,386,668	7,386,668
Medicaid	3,470,655,785	3,763,833,899	3,866,375,670	4,032,336,580	3,848,934,700	3,696,369,974
Lifestar Helicopter	1,388,190	1,318,780	0	0	1,388,190	1,388,190
Old Age Assistance	32,573,376	32,821,026	36,082,767	37,262,613	36,328,262	38,110,566
Aid to the Blind	647,199	609,452	714,824	720,411	724,259	753,000
Aid to the Disabled	57,524,702	59,251,104	60,032,162	60,588,720	60,649,322	62,720,424
Temporary Assistance to Families - TANF	110,961,707	111,955,831	117,434,597	119,158,385	117,434,597	119,158,385
Emergency Assistance	0	475	500	500	500	500
Food Stamp Training Expenses	8,357	32,397	32,397	32,397	32,397	32,397
Connecticut Pharmaceutical Assistance Contract to the Elderly	31,954,039	41,637,238	11,389,645	11,913,755	10,279,645	6,813,755
Healthy Start	1,490,214	1,490,220	1,490,220	1,490,220	1,490,220	1,490,220
DMHAS-Disproportionate Share	105,935,000	105,935,000	105,935,000	105,935,000	105,935,000	105,935,000
Connecticut Home Care Program	57,860,912	64,634,600	71,838,400	71,384,600	66,428,400	75,724,600
Human Resource Development-Hispanic Programs	1,040,365	1,040,365	0	0	1,040,365	1,040,365
Services to the Elderly	4,573,854	5,840,449	4,315,736	4,337,336	4,947,948	4,969,548
Safety Net Services	1,955,497	2,100,897	2,100,897	2,100,897	2,100,897	2,100,897
Transportation for Employment Independence Program	3,321,554	3,321,613	2,491,213	2,491,213	3,321,613	3,321,613
Transitional Rental Assistance	1,018,420	1,186,680	1,186,680	1,186,680	1,186,680	1,186,680
Refunds of Collections	244,277	187,150	187,150	187,150	187,150	187,150
Services for Persons With Disabilities	744,442	768,404	695,309	695,309	695,309	695,309
Child Care Services-TANF/CCDBG	98,801,216	93,118,727	103,872,455	95,915,536	103,872,455	95,915,536
Nutrition Assistance	472,663	450,322	672,663	672,663	447,663	447,663
Housing/Homeless Services	31,229,720	40,789,681	43,787,497	47,042,657	44,051,497	47,306,657
Employment Opportunities	836,481	1,231,379	0	0	1,231,379	1,231,379
Human Resource Development	38,343	36,818	0	0	38,581	38,581
Child Day Care	8,324,087	10,617,392	10,617,392	10,617,392	10,617,392	10,617,392
Independent Living Centers	662,796	665,927	0	0	440,000	665,927
AIDS Drug Assistance	606,678	606,678	606,678	606,678	606,678	606,678
Disproportionate Share-Medical Emergency Assistance	57,725,000	53,725,000	53,725,000	53,725,000	51,725,000	51,725,000
DSH-Urban Hospitals in Distressed Municipalities	31,550,000	31,550,000	31,550,000	31,550,000	31,550,000	31,550,000
State Administered General Assistance	184,049,417	182,346,909	191,452,380	203,207,930	244,023,580	304,029,156
School Readiness	4,411,182	4,763,546	3,289,697	3,289,697	4,619,697	4,619,697
Connecticut Children's Medical Center	11,020,000	11,020,000	11,020,000	11,020,000	11,020,000	11,020,000
Community Services	6,580,425	3,991,865	1,490,003	1,490,003	3,414,013	3,414,013
Alzheimer Respite Care	2,044,388	2,294,388	2,294,388	2,294,388	2,294,388	2,294,388
Family Grants	469,800	484,133	484,133	484,133	0	0
Human Service Infrastructure Community Action Program	4,698,750	4,476,431	0	0	3,998,796	3,998,796

	Actual Expenditure FY 08	Estimated FY 09	Governor Recommended FY 10	Governor Recommended FY 11	Legislative FY 10	Legislative FY 11
Teen Pregnancy Prevention	1,401,102	1,527,384	0	0	1,527,384	1,527,384
Medicare Part D Supplemental Needs Fund	22,862,486	24,780,000	0	0	3,120,000	4,330,000
Hospital Hardship Fund	28,970,100	0	0	0	0	0
Employment Services Block Grant	0	0	1,285,566	1,285,566	0	0
Community and Social Services Block Grant	0	0	7,515,472	7,515,472	0	0
Grant Payments to Local Governments						
Child Day Care	5,263,706	5,263,706	5,263,706	5,263,706	5,263,706	5,263,706
Human Resource Development	31,034	31,034	0	0	31,034	31,034
Human Resource Development-Hispanic Programs	5,900	5,900	0	0	5,900	5,900
Teen Pregnancy Prevention	331,596	870,326	0	0	870,326	870,326
Services to the Elderly	43,118	44,405	0	0	44,405	44,405
Housing/Homeless Services	608,470	686,592	686,592	686,592	686,592	686,592
Community Services	184,357	191,358	0	0	116,358	116,358
Agency Total - General Fund	4,629,980,991	4,947,126,333	5,030,829,888	5,222,858,774	5,066,458,549	4,996,302,807
Other Expenses	0	0	0	0	500,000	500,000
Agency Total - Insurance Fund	0	0	0	0	500,000	500,000
Agency Total - Appropriated Funds	4,629,980,991	4,947,126,333	5,030,829,888	5,222,858,774	5,066,958,549	4,996,802,807
Additional Funds Available						
Federal Contributions	388,307,665	456,799,098	368,838,392	368,922,594	368,838,392	368,922,594
Carry Forward Funding	0	0	0	0	13,996,959	0
Bond Funds	0	6,999,286	5,988,857	4,988,857	5,988,857	4,988,857
Private Contributions	0	14,818,129	7,946,409	8,163,974	7,946,409	8,163,974
Agency Grand Total [1]	5,018,288,656	5,425,742,846	5,413,603,546	5,604,934,199	5,463,729,166	5,378,878,232

	Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
FY 09 Governor Estimated Expenditures - GF	1,871	4,947,126,333	1,871	4,947,126,333	0	0	0	0
Inflation and Non-Program Changes								
Personal Services	21	1,667,864	21	2,132,545	0	0	0	0
Other Expenses	0	2,795,433	0	2,722,764	0	0	0	0
Equipment	0	6,419,828	0	2,489,920	0	0	0	0
Children's Health Council	0	10,916	0	10,916	0	0	0	0
HUSKY Outreach	0	85,323	0	85,323	0	0	0	0
Genetic Tests in Paternity Actions	0	10,060	0	10,060	0	0	0	0
State Food Stamp Supplement	0	95,925	0	148,666	0	0	0	0
Energy Assistance Programs	0	-2,000,000	0	-2,000,000	0	0	0	0
Lifestar Helicopter	0	69,410	0	69,410	0	0	0	0
Emergency Assistance	0	25	0	25	0	0	0	0
Services to the Elderly	0	-600,201	0	-578,601	0	0	0	0
Nutrition Assistance	0	22,341	0	22,341	0	0	0	0
Housing/Homeless Services	0	2,369,984	0	4,276,818	0	0	0	0
Human Resource Development	0	1,763	0	1,763	0	0	0	0
School Readiness	0	247,775	0	247,775	0	0	0	0
Community Services	0	102,148	0	102,148	0	0	0	0
Human Service Infrastructure Community Action Program	0	222,365	0	222,365	0	0	0	0
Total - General Fund	21	11,520,959	21	9,964,238	0	0	0	0

Medicaid Fee-for-Service and General Update
 The Medicaid program provides remedial, preventive, and long-term medical care for income eligible aged, blind or disabled individuals and families with children. Payment is made directly to health care providers, by the department, for services delivered to eligible individuals. The program complies with federal Medicaid law (Title XIX of the Social Security Act) and regulations in order to receive 50% reimbursement from the federal government.

	Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
<p>-(Governor) Funding of \$46.2 million in FY 10 and \$91.4 million in FY 11 is provided to meet anticipated cost and caseload increases under the fee-for-service portion of the Medicaid program, as well as to make several general expenditure adjustments.</p>								
<p>-(Legislative) The Legislature provides funding increases of \$33.2 million in FY 10 and \$48.7 million in FY 11 based on updated cost and caseload estimates.</p>								
Medicaid	0	33,204,158	0	48,669,755	0	-13,025,000	0	-42,765,000
Total - General Fund	0	33,204,158	0	48,669,755	0	-13,025,000	0	-42,765,000

Restore State Funded Medicaid for Non-Citizens
Under past federal rules, non-citizens who have been in the country for more than five years are eligible for Medicaid and their costs are federally reimbursable. States have the option of providing coverage to non-citizens who have been in the country for less than five years, but the costs are 100% state funded. Connecticut is one of only fourteen states providing coverage for non-citizens through state-only funds.

-(Governor) The Governor recommends that state-funded Medicaid be eliminated and that DSS only provide non-citizens with emergency health care services, which are federally reimbursed. This change is expected to save \$23.6 million in FY 10 and \$24.5 million in FY 11.

-(Legislative) The Legislature maintains services to children and pregnant women. The recent SCHIP reauthorization allowed states to include these populations in the state Medicaid program and receive 50% federal reimbursement. Additionally, the Legislature provides funding to continue state only Medicaid services to those individuals already receiving long term care or home care services. Sections 20, 55, 64 and 78 of P.A. 09-5, SSS (the Human Services Implementer bill), make these changes.

Medicaid	0	-9,300,000	0	-9,750,000	0	14,300,000	0	14,750,000
Total - General Fund	0	-9,300,000	0	-9,750,000	0	14,300,000	0	14,750,000

Limit Adult Dental Coverage

-(Governor) The Governor recommends eliminating most dental coverage for adults under Medicaid and SAGA. The department will continue to provide emergency dental services, including dentures, x-rays, limited oral evaluation, emergency treatment of dental pain, and extractions. This proposal is expected to save \$22.7 million in FY 10 and \$28 million in FY 11.

-(Legislative) The Legislature does not concur with the Governor's recommendations.

Medicaid	0	0	0	0	0	16,800,000	0	21,800,000
State Administered General Assistance	0	0	0	0	0	5,900,000	0	6,200,000
Total - General Fund	0	0	0	0	0	22,700,000	0	28,000,000

Implement Utilization Review for Dental Services

-(Legislative) The Legislature requires: (1) prior authorization for certain dental procedures; and (2) a periodic review to ensure that services billed as emergency services are indeed of an emergency

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

nature. This effort is expected to save \$8 million annually. Sections 48 and 49 of P.A. 09-5, SSS implement these changes.

Medicaid	0	-6,000,000	0	-6,000,000	0	-6,000,000	0	-6,000,000
State Administered General Assistance	0	-2,000,000	0	-2,000,000	0	-2,000,000	0	-2,000,000
Total - General Fund	0	-8,000,000	0	-8,000,000	0	-8,000,000	0	-8,000,000

Impose Cost Sharing under Fee-for-Service Medicaid

-(Governor) The Governor recommends implementing Medicaid co-payments, not to exceed 5% of family income, on allowable medical services (excluding hospital inpatient, emergency room, home health, laboratory and transportation services). Under federal rules, co-pays for FFY 09 can range from \$0.50 to \$5.70, depending on monthly family income and size, and are indexed annually based on inflation. Co-pays for pharmacy services will be capped at \$20 per month. Consistent with federal rules, certain children under age 18, individuals at or below 100% of the federal poverty level, SSI recipients, pregnant women, women being treated for breast or cervical cancer and persons in institutional settings are exempt from the cost sharing requirement.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Medicaid	0	0	0	0	0	8,500,000	0	10,500,000
Total - General Fund	0	0	0	0	0	8,500,000	0	10,500,000

Restructure Medicaid Continuum of Care

The state currently pays approximately \$1.4 billion annually for fee-for-service medical services under the Medicaid program. These costs are incurred by approximately 80,000 mostly aged, blind, and disabled individuals. Most of these individuals are also eligible for federal Medicare benefits. The state pays an additional \$1.4 billion per year to serve a subset of approximately 20,000 of these individuals in long term care settings.

-(Legislative) The Legislature requires a restructuring of this \$2.8 billion continuum of Medicaid care through the utilization of Special Needs Plans (SNPs) and Administrative Service Organizations (ASOs).

Congress passed, as part of the 2003 Medicare Modernization Act, enabling legislation that allowed the federal government to develop SNPs for the dually-eligible Medicare/Medicaid population. In establishing SNPs, Congress intended to grant them the authority and incentives to develop targeted clinical programs to more effectively care for high-risk beneficiaries who have multiple conditions and complex medical problems. They have been granted the opportunity to use financial flexibility to reorder traditional care methods to better meet the unique needs of persons with serious chronic conditions. Special needs individuals are defined as: 1) persons dually eligible for Medicare and Medicaid; 2) persons with severe chronic or disabling conditions; and 3) persons living in institutions or living in the community with similar needs.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

These plans provide all Medicare Part A and Part B health care and services to people who can benefit the most from such activities as special care for chronic illnesses, care management of multiple diseases, and focused care management. The law also authorizes states to implement, at their option, a new program for dual eligible beneficiaries which integrates Medicare and Medicaid benefits (e.g., primary, acute, behavioral, long-term care services and supports). These special need Medicaid Advantage programs provide a medical home and better coordinated care for dual eligible beneficiaries. States and the federal government continue to share the cost of the Medicaid portion of the benefit. States, or the plans they select, manage the full spectrum of services to provide an integrated care delivery program for dual eligible populations under streamlined rules and regulations. These plans collect and evaluate treatment data, and states and the federal government monitor the plans to make sure obligations are being met. Plans are required to provide core Medicaid and Medicare services and joining a plan is voluntary.

These plans are further intended to promote new operating methods that empower principal care givers and affiliated network providers to work together in establishing new person-centered service models so that Medicare and Medicaid funds “serve the client”. The plans have the ability to refocus payment incentives and develop oversight structures that work towards optimizing the total quality and cost performance in care for Medicare and Medicaid clients.

The legislature requires that DSS establish a contract with the SNPs to establish the Integrated Care Initiative to integrate Medicaid funding and benefits with the Medicare SNPs. In addition to better coordinated care, it is anticipated that SNPs can save money through the provision of care in the least restrictive, most appropriate setting. Also, federal law allows SNPs to manage both the Medicare and Medicaid payments made on behalf of nursing home residents. Through fewer hospital readmissions and a reduction in bed hold days, significant savings to the state will result.

Additionally, the legislature requires DSS to enroll individuals who are not in SNPs in ASOs, to manage the provision of their health care. These ASOs may be either at risk or not at risk. The department may need a federal waiver or state plan amendment to enact these changes. Section 60 of P.A. 09-5, SSS implements this initiative.

Medicaid	0	-52,800,000	0	-155,000,000	0	-52,800,000	0	-155,000,000
Total - General Fund	0	-52,800,000	0	-155,000,000	0	-52,800,000	0	-155,000,000

Restore Medical Interpreters under Medicaid

In the 2007 session, the legislature provided funds to implement a statewide medical interpreting service under the Medicaid program, effective April 1, 2008.

-(Governor) The Governor recommends that DSS not amend the Medicaid state plan to include foreign language interpreter services as a covered service

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

under the Medicaid fee-for-service program with the expectation that providers will continue to provide interpreter services for individuals with limited English proficiency as required under Title VI of the Civil Rights Act of 1964. This change has an associated savings of \$5.5 million in FY 10 and \$6 million in FY 11.

-(Legislative) The Legislature delays the establishment of medical interpreter services in Medicaid until February 1, 2011. Section 56 of P.A. 09-5, SSS implements this change.

Medicaid	0	-5,500,000	0	-3,500,000	0	0	0	2,500,000
Total - General Fund	0	-5,500,000	0	-3,500,000	0	0	0	2,500,000

Update Medical Necessity and Appropriateness Definition / Medical Inefficiencies

-(Governor) The Governor recommends allowing DSS to replace the current medical necessity definition under Medicaid to that in place for the State Administered General Assistance (SAGA) program. Similar to many commercially available plans, the proposed definition incorporates the principle of providing services which are "reasonable and necessary" or "appropriate" in light of clinical standards of practice. It eliminates the standard of "maintaining an optimal level of health". It is expected that the new definition will result in a Medicaid savings of \$4.5 million in FY 10 and \$9 million in FY 11.

-(Legislative) The Legislature delays the proposed change to medical necessity until July 1, 2010. Section 81 of P.A. 09-3, JSS (the biennial budget act) implements this change.

Medicaid	0	0	0	-4,500,000	0	4,500,000	0	4,500,000
Total - General Fund	0	0	0	-4,500,000	0	4,500,000	0	4,500,000

Implement Non-payment for Certain Hospital Acquired Conditions

The federal Centers for Medicare & Medicaid Services (CMS) have started to address ways that Medicare can help to reduce or eliminate the occurrence of "never events" - serious and costly errors in the provision of health care services that should never happen. Beginning in October 2008, Medicare payment will be denied for six costly and sometimes deadly, preventable hospital-acquired conditions.

-(Governor) The Governor recommends that DSS implement similar provisions under the Medicaid program. According to CMS, at least twenty states are currently considering the same policy for Medicaid patients with about a dozen states having already implemented such efforts.

-(Legislative) Same as Governor.

Medicaid	0	-1,700,000	0	-1,800,000	0	0	0	0
Total - General Fund	0	-1,700,000	0	-1,800,000	0	0	0	0

Establish an Online Eligibility Information Verification System

-(Governor) The Governor recommends that DSS contract with a private entity to develop an online

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

eligibility information verification system to support and supplement the department's eligibility determination verification process. The system will verify applicant's income and asset information to ensure that applicants are eligible for assistance prior to awarding benefits. The system will review all applications for public assistance in the Medicaid, SAGA, TFA, and State Supplement programs, as well as SNAP. (Although SNAP is 100% federally funded, use of the system may help the state avoid federal penalties due to eligibility errors.) This proposal is expected to save \$1.5 million in FY 10 and \$3 million in FY 11.

-(Legislative) Same as Governor.

Medicaid	0	-1,500,000	0	-3,000,000	0	0	0	0
Total - General Fund	0	-1,500,000	0	-3,000,000	0	0	0	0

Restructure Methadone Maintenance Rates

DSS currently pays a range of provider specific weekly bundled rates for methadone maintenance services. These rates range from \$63.00 to \$95.33 under Medicaid fee-for-service and \$84.34 to \$111.64 under the Behavioral Health Partnership.

-(Governor) The Governor recommends revising the rate structure for methadone maintenance, resulting in savings to the Medicaid program of \$192,800 in FY 10 and \$276,200 in FY 11. Methadone maintenance providers who have rates above the CMS approved upper payment limit (UPL) will be reduced to the UPL (\$85.53) or by 3%, whichever is higher.

-(Legislative) Same as Governor.

Medicaid	0	-192,800	0	-276,200	0	0	0	0
Total - General Fund	0	-192,800	0	-276,200	0	0	0	0

Implement Family Planning Waiver

Twenty-six states have received Medicaid 1115 demonstration waivers to provide family planning services to individuals not otherwise eligible for Medicaid or the State Children's Health Insurance Program (SCHIP). States cover a range of family planning services under Medicaid expansions, including the following family planning services that the federal government reimburses at an enhanced 90 percent Medicaid match:

- Contraceptive services and supplies;
- Contraceptive counseling and information;
- Office visits, consultation, examination and medical treatment;
- Family planning-related laboratory examinations and tests; and
- Sexually transmitted disease (STD) testing when performed as part of a family planning visit

Services available to men may include contraceptive supplies, vasectomies, and STD testing.

-(Legislative) The Legislature provides \$2 million in each year of the biennium to implement the family planning waiver. These funds will be 90% reimbursed by the federal government. Experience in other states indicates that substantial savings is achieved through the reduction of Medicaid funded deliveries. The

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Legislature assumes that a gross savings of \$6 million will be realized in FY 11. Section 64 of P.A. 09-5, SSS directs DSS to seek this waiver.

Medicaid	0	2,000,000	0	-4,000,000	0	2,000,000	0	-4,000,000
Total - General Fund	0	2,000,000	0	-4,000,000	0	2,000,000	0	-4,000,000

Implement False Claims Act

-(Governor) The federal Deficit Reduction Act of 2005 authorizes the state to bring a civil action against any individual or entity who engages in fraud against the state of Connecticut. This proposal includes 'qui tam' provisions allowing individuals to initiate claims and allowing the Attorney General to substitute the state of Connecticut for such individual's civil action. The federal government will provide financial incentives to states that adopt this qui tam law for purposes of recovering Medicaid funds in such actions.

-(Legislative) Same as Governor.

Medicaid	0	-500,000	0	-1,000,000	0	0	0	0
Total - General Fund	0	-500,000	0	-1,000,000	0	0	0	0

Combat Medicaid Fraud

-(Legislative) The Legislature provides additional administrative resources to assist DSS in combating Medicaid fraud. DSS shall enter into a memorandum of understanding with the Office of the Attorney General to provide that office with additional administrative resources to pursue fraud and false claims (see previous write-up) as necessary to achieve the budgeted savings.

Personal Services	0	0	10	600,000	0	0	10	600,000
Other Expenses	0	0	0	250,000	0	0	0	250,000
Medicaid	0	-19,000,000	0	-31,950,000	0	-19,000,000	0	-31,950,000
Total - General Fund	0	-19,000,000	10	-31,100,000	0	-19,000,000	10	-31,100,000

Eliminate LifeStar Subsidy

The LifeStar grant provides a subsidy for the operation and maintenance of the helicopters at Hartford Hospital. The grant was first introduced by the legislature at a cost of \$1.0 million in FY 02. The grant funds a small portion of the program's operating expenses.

-(Governor) The Governor recommends eliminating the operating subsidy for LifeStar.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Lifestar Helicopter	0	0	0	0	0	1,388,190	0	1,388,190
Total - General Fund	0	0	0	0	0	1,388,190	0	1,388,190

Reduce Disproportionate Share Hospital Payments

-(Legislative) The Legislature reduces funding for the Disproportionate Share Hospital Program by \$2 million annually.

Disproportionate Share-Medical Emergency Assistance	0	-2,000,000	0	-2,000,000	0	-2,000,000	0	-2,000,000
Total - General Fund	0	-2,000,000	0	-2,000,000	0	-2,000,000	0	-2,000,000

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

HUSKY Programs Cost and Caseload Update

The HUSKY program provides medical benefits for all children whose family income is less than 300% of the federal poverty level (FPL). Children and parents or caretakers with incomes at or below 185% of FPL are funded through the Medicaid account (HUSKY A), while those over this level are funded through the separate HUSKY account (HUSKY B). Some enrollees in this program may be required to make a co-payment for services, based on a sliding fee scale. Coverage under HUSKY B is available to children over 300% of the poverty level based upon full payment by the client of the health insurance premiums and co-payments. Combined, these programs provide health care benefits for 345,500 people.

In November 2007, the Governor announced that she was terminating the managed care responsibilities for the contractors under the HUSKY program due to problems in the contract renegotiation process. As such, DSS temporarily moved the program to a prepaid inpatient health plan (PIHP) structure. Two former contractors (Anthem and the Community Health Network – CHN) continued to provide services to HUSKY clients under this structure. Other remaining clients had services paid by the department on a fee-for-service basis.

On January 3, 2008 the Department of Social Services released the Medicaid Managed Care - HUSKY A, SCHIP Managed Care - HUSKY B and Charter Oak Managed Care Request for Proposals (RFP). This new contract does not include dental and pharmacy benefits, as these were carved out to be managed separately.

CHN has continued to participate in the HUSKY program, and has seen its enrollment grow from 93,000 to 158,000. Clients may be served by CHN or one of the two other successful bidders: Aetna Better Health and Americhoice by United Health Care.

-(Governor) Funding of \$81.3 million in FY 10 and \$112.5 million in FY 11 is provided to reflect updated cost and caseload estimates. These figures include \$57.9 million to reflect clients who had been receiving services under fee-for-service Medicaid, \$25.5 million to transition from the PIHP system, and \$31.8 million for increased volume. These increases are offset by reductions for the FQHC carveout (\$10.3 million) and other annualizations (\$4.2 million).

-(Legislative) Same as Governor.

HUSKY Program	0	-18,045,216	0	-16,342,516	0	0	0	0
Medicaid	0	99,335,950	0	128,886,112	0	0	0	0
Total - General Fund	0	81,290,734	0	112,543,596	0	0	0	0

Establish Premiums for HUSKY Adults

-(Governor) The Governor recommends requiring the payment of monthly premiums for adults in the HUSKY program. Premium amounts will be determined on a sliding scale, up to 10% or 20% of the cost of the service, depending on the individual's family income, not to exceed federal maximum levels. Consistent

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

with federal rules, certain children under age 18, individuals with income at or below 100% of the federal poverty level, pregnant women and individuals in hospice are exempt from paying premiums. This proposal is expected to save \$8.8 million in FY 10 and \$9.3 million in FY 11.

-(Legislative) The Legislature does not concur with the Governor's recommendation as this appears to conflict with federal maintenance of efforts requirements under the American Recovery and Reinvestment Act.

Medicaid	0	0	0	0	0	8,800,000	0	9,300,000
Total - General Fund	0	0	0	0	0	8,800,000	0	9,300,000

Restore Self Declaration in HUSKY A

In FY 02, DSS implemented new verification procedures for the HUSKY A program that allow the department to accept a client's self-declaration of income. Under this policy, DSS does not verify the information provided unless the department believes such declaration to be inaccurate.

-(Governor) The Governor recommends eliminating the self declaration policy, for an annual savings of \$2 million.

-(Legislative) The Legislature does not concur with the Governor's recommendation as this appears to conflict with federal maintenance of efforts requirements under the American Recovery and Reinvestment Act.

Medicaid	0	0	0	0	0	2,000,000	0	2,000,000
Total - General Fund	0	0	0	0	0	2,000,000	0	2,000,000

Reduce HUSKY MCO Capitation

-(Legislative) The Legislature reduces the HUSKY appropriation by \$51.8 million annually to reflect a reduction in the capitated rates paid to the HUSKY managed care organizations.

Medicaid	0	-50,100,000	0	-51,800,000	0	-50,100,000	0	-51,800,000
Total - General Fund	0	-50,100,000	0	-51,800,000	0	-50,100,000	0	-51,800,000

Increase HUSKY B Premiums

HUSKY B offers a full health insurance package for children and teenagers up to age 19, regardless of family income. The program is divided into three income bands: the first band (185% to 235% of the federal poverty level (FPL)) pays no premiums; the second band (236% to 300% FPL) has monthly premiums of \$30 for families with one child and \$50 for families with two or more children; and the third band (over 300% FPL) is responsible for the full premium.

-(Governor) The Governor recommends increasing the monthly premiums for HUSKY B, Band 2 to \$50 for families with one child, \$75 for families with two children and \$100 for families with three or more children. This proposal will save \$1.5 million in FY 10 and \$1.6 million in FY 11.

	Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
-(Legislative) The Legislature does not concur with the Governor's recommendation.								
HUSKY Program	0	0	0	0	0	1,520,000	0	1,570,000
Total - General Fund	0	0	0	0	0	1,520,000	0	1,570,000

Implement Utilization Review for HUSKY Pharmaceutical Benefits

-(Legislative) The Legislature provides \$ 1 million in each year of the biennium to contract with an outside entity to review pharmaceutical prescribing practices under the HUSKY program. The intent of this review will be to examine unnecessary or duplicative prescriptions, as well as potential conflicting prescriptions. It is anticipated that through reduced prescriptions and fewer negative medical outcomes from inappropriate prescriptions, a net savings of \$5 million will result in FY 11.

Medicaid	0	1,000,000	0	-5,000,000	0	1,000,000	0	-5,000,000
Total - General Fund	0	1,000,000	0	-5,000,000	0	1,000,000	0	-5,000,000

Delay HUSKY Capitation Payment

-(Legislative) The Legislature recommends that DSS make the June, 2010 HUSKY capitation payment on July 1, 2010. This results in a one time savings of \$65 million in FY 10. Section 65 of P.A. 09-5, SSS implements this delay.

Medicaid	0	0	0	-68,400,000	0	0	0	-68,400,000
Total - General Fund	0	0	0	-68,400,000	0	0	0	-68,400,000

Reduce HUSKY Outreach

-(Governor) The Governor recommends reducing HUSKY outreach efforts by \$500,000 annually.

-(Legislative) The legislature reduces HUSKY outreach efforts by \$1 million annually.

HUSKY Outreach	0	-1,000,000	0	-1,000,000	0	-500,000	0	-500,000
Total - General Fund	0	-1,000,000	0	-1,000,000	0	-500,000	0	-500,000

Medicaid Dental Services Cost and Caseload Update

Effective September 1, 2008, all dental services were carved out of HUSKY. An administrative services organization has been contracted to manage dental services for the SAGA, HUSKY and Medicaid fee-for-service populations. This carveout was part of the settlement of the *Carr v. Wilson-Coker* litigation that also resulted in an increase of \$20 million in pediatric dental fees, effective April 1, 2008.

-(Governor) Funding of \$36.7 million in FY 10 and \$38.3 million in FY 11 is provided to meet anticipated cost and caseload estimates for dental services under all facets of the Medicaid program.

-(Legislative) Same as Governor.

Medicaid	0	36,742,144	0	38,290,698	0	0	0	0
Total - General Fund	0	36,742,144	0	38,290,698	0	0	0	0

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Behavioral Health Partnership Cost and Caseload Update

The Departments of Children and Families and Social Services have formed the Connecticut Behavioral Health Partnership to plan and implement an integrated public behavioral health service system for adults, children, and families. The overall goal of the Partnership is to provide enhanced access to a more complete and effective system of community-based behavioral health services and supports and to improve individual outcomes.

-(Governor) Funding of \$19.7 million in FY 10 and \$30.0 million is provided to meet the anticipated cost and caseload needs of the Partnership.

-(Legislative) Same as Governor.

Medicaid	0	19,677,046	0	29,965,936	0	0	0	0
Total - General Fund	0	19,677,046	0	29,965,936	0	0	0	0

Charter Oak Program Cost and Caseload Update

The Charter Oak Health Plan offers health care for uninsured adults of all income levels. This plan provides basic health insurance coverage, including a full prescription package, laboratory services and pre- and post-natal care, with an approximate monthly premium of \$250. Financial assistance will be provided with premium costs on a sliding scale based on an individual's gross earnings, ranging from \$75 for individuals with income under 150% of the federal poverty level (FPL) to no assistance for clients with income over 300% FPL.

-(Governor) Funding of \$24.7 million in FY 10 and \$37.9 million in FY 11 is provided to meet anticipated cost and caseload trends.

-(Legislative) The Legislature provides \$19.7 million in FY 10 and \$29.9 million in FY 11. This reduction reflects a slower than projected growth in caseload.

Personal Services	6	393,540	6	402,830	0	0	0	0
Other Expenses	0	3,434,643	0	3,478,165	0	0	0	0
Charter Oak Health Plan	0	15,830,000	0	26,010,000	0	-5,000,000	0	-8,000,000
Total - General Fund	6	19,658,183	6	29,890,995	0	-5,000,000	0	-8,000,000

Reduce and Cap Charter Oak Subsidy

-(Legislative) The Legislature reduces the subsidy to the Charter Oak program by \$2.1 million in FY 10 and \$3.5 million in FY 11. This would reduce the per client state subsidy (which currently ranges from \$59 to \$184 per month) to between \$50 and \$175 per month.

Charter Oak Health Plan	0	-2,100,000	0	-3,500,000	0	-2,100,000	0	-3,500,000
Total - General Fund	0	-2,100,000	0	-3,500,000	0	-2,100,000	0	-3,500,000

Medicaid Long Term Care Cost and Caseload Update

-(Governor) Under current statute, DSS is required to rebase nursing home rates no more than once every two years and no less than once every four years. Since nursing home rates were last rebased in FY 06, the Current Services budget includes a rate increase of 9.64% in FY 10 to reflect the rebasing of rates at a cost of \$113.7 million in FY 10 and \$127.6 million in

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

FY 11. To comply with DSS' regulations, the Current Services budget also includes a 3% inflationary adjustment in FY 11 (\$49.6 million) based on the anticipated increase in the Data Resources Incorporated (DRI) consumer price index, which tracks inflation specific to the nursing home industry. In addition, under current statute, DSS incorporates an adjustment to accommodate improvements to real property (referred to as a "fair rent adjustment") when setting annual nursing home rates, which is estimated to cost \$2.1 million in FY 10 and \$4.2 million in FY 11. Finally, to comply with DSS' regulations, the current services budget includes a 4.7% and 4.9% increase in FY 10 and F011, respectively, for Intermediate Care Facilities for those with developmental disabilities based on the anticipated increase in the gross national product (GNP) deflator. This ICF/MR increase is expected to cost \$2.9 million in FY 10 and \$6.2 million in FY 11.

The current service update also includes reductions in nursing home costs of \$6.4 million in FY 10 and \$13.4 million in FY 11 to reflect continued decreases in Medicaid funded nursing home placements.

-(Legislative) Same as Governor.

Medicaid	0	119,819,565	0	171,439,077	0	0	0	0
Total - General Fund	0	119,819,565	0	171,439,077	0	0	0	0

Restore Nursing Home Payment Delay

-(Governor) The Governor recommends that, beginning in 2010, one-half of the June Medicaid payment to nursing homes be deferred to the following month. This proposal will result in one-time savings of \$53.1 million in FY 10.

-(Legislative) The Legislature provides that the delay be implemented in FY 11, rather than FY 10. Section 39 of P.A. 09-5, SSS, implements this delay.

Medicaid	0	0	0	-53,100,000	0	53,100,000	0	-53,100,000
Total - General Fund	0	0	0	-53,100,000	0	53,100,000	0	-53,100,000

Eliminate Rate Increases for Nursing Homes and ICF/MR's

-(Governor) The Governor recommends reductions of \$118.2 million in FY 10 and \$172.6 million in FY 11 to reflect the elimination of statutorily required rate increases for nursing homes and ICF/MR's. These rate increases are detailed in the above write-up entitled *Medicaid Long Term Care Cost and Caseload Update*.

-(Legislative) The Legislature concurs with the Governor's recommendation. Sections 32, 35 and 40-42 P.A. 09-5, SSS implement this change, but specify that homes that already had certificate of needs approved may still receive a fair rent adjustment.

Medicaid	0	-118,125,690	0	-172,545,400	0	50,000	0	50,000
Total - General Fund	0	-118,125,690	0	-172,545,400	0	50,000	0	50,000

Cap Number of Beds in Small House Nursing

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Home Project

PA 08-91 requires DSS to establish, within available appropriations, a pilot program to support the development of up to ten "small house nursing home" projects with the goal of improving the quality of life for nursing home residents by providing care in a more home-like setting. While each unit can house no more than ten individuals, each project can have multiple units. One project that is in the early stages of development will convert approximately 280 certified beds to this model.

-(Governor) To control future costs, any further development of "small house nursing home" projects over the biennium is restricted by capping the number of beds at 280 through the biennium. This proposal saves \$1.5 million in FY 11.

-(Legislative) Same as Governor.

Medicaid	0	0	0	-1,500,000	0	0	0	0
Total - General Fund	0	0	0	-1,500,000	0	0	0	0

Limit Inappropriate Nursing Home Placements

-(Governor) To prevent individuals from inappropriate nursing home admission, the Governor recommends funding to develop a state-of-the-art, online screening system, which will allow DSS to assume responsibility for screening individuals with mental illness and mental retardation for appropriateness for nursing home placement. Over the next five years, the enhanced screening process is expected to identify over 300 individuals who could be better served in the community rather than institutional settings. This initiative, along with Money Follows the Person, will allow the department to strengthen community placements and reduce the reliance on higher costing institutional care. The savings reflected in the budget assumes the closure of approximately 100 nursing home beds in FY 11, with additional closures in the future. This proposal has an estimated net savings of \$3.8 million in FY 10 and \$8.3 million in FY 11.

-(Legislative) Same as Governor.

Personal Services	5	300,000	5	300,000	0	0	0	0
Other Expenses	0	1,400,000	0	1,400,000	0	0	0	0
Medicaid	0	-5,500,000	0	-10,000,000	0	0	0	0
Total - General Fund	5	-3,800,000	5	-8,300,000	0	0	0	0

Home Care Services Cost and Caseload Update

The Connecticut Home Care program assists the frail elderly in avoiding unnecessary or premature nursing home care by making available a variety of community-based services. The services covered include home-health aides, visiting nurses, homemaker aides, adult day care, personal assistance, and meals on wheels. The home care program is funded from two separate accounts: the Medicaid account, which is matched by federal funds; and the Connecticut Home Care Program, which is funded solely by the state. The funds used to cover services depend upon client eligibility.

-(Governor) Funding of \$28.6 million in FY 10 and \$51.9 million in FY 11 is provided to reflect anticipated

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

cost and caseload trends.

-(Legislative) Same as Governor.

Medicaid	0	16,570,489	0	30,589,379	0	0	0	0
Connecticut Home Care Program	0	11,993,800	0	21,290,000	0	0	0	0
Total - General Fund	0	28,564,289	0	51,879,379	0	0	0	0

Maintain Caseload for Connecticut Home Care Program

-(Governor) The Governor proposes capping the caseload under the state-funded Connecticut Home Care Program for Elders at June 30, 2009 levels, for a savings of \$4.8 million in FY 10 and \$14.5 million in FY 11.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Connecticut Home Care Program	0	0	0	0	0	4,790,000	0	14,540,000
Total - General Fund	0	0	0	0	0	4,790,000	0	14,540,000

Increase Cost Sharing under the Connecticut Home Care Program

-(Legislative) The Legislature reduces the appropriation for the Connecticut Home Care program by \$10.9 million annually. This reduction will result in increased client cost-sharing of an additional 15% of program costs. Section 66 of PA 09-05, SSS implements this change.

Connecticut Home Care Program	0	-10,900,000	0	-10,900,000	0	-10,900,000	0	-10,900,000
Total - General Fund	0	-10,900,000	0	-10,900,000	0	-10,900,000	0	-10,900,000

Cover Telemonitoring Services under Home Health Care

-(Governor) The Governor recommends having DSS introduce coverage of telemonitoring services provided by home health agencies including coverage for the cost of equipment rental and 24-hour monitoring for patients with congestive heart failure or chronic obstructive pulmonary disease who meet certain medical criteria. While this initiative is expected to result in net savings due to reduced skilled nursing visits and improved disease management, requiring fewer hospital visits, DSS will track both costs and savings over a two-year period. An evaluation will be performed at the end of the demonstration period to confirm the program's cost effectiveness.

-(Legislative) Same as Governor.

Medicaid	0	-100,000	0	-250,000	0	0	0	0
Total - General Fund	0	-100,000	0	-250,000	0	0	0	0

Adult Day Care Rate Increase

-(Legislative) The Legislature provides a rate increase for providers of adult day care services under the Connecticut Home Care program. Section 77 of PA 09-5, SSS mandates this increase.

Connecticut Home Care Program	0	700,000	0	700,000	0	700,000	0	700,000
Total - General Fund	0	700,000	0	700,000	0	700,000	0	700,000

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Fund Fall Prevention Efforts

-(Legislative) The Legislature establishes a fall Prevention program to:

(1) Promote and support research to: (A) Improve the identification, diagnosis, treatment and rehabilitation of older adults and others who have a high risk of falling; (B) improve data collection and analysis to identify risk factors for falls and factors that reduce the likelihood of falls; (C) design, implement and evaluate the most effective fall prevention interventions; (D) improve intervention strategies that have been proven effective in reducing falls by tailoring such strategies to specific populations of older adults; (E) maximize the dissemination of proven, effective fall prevention interventions; (F) assess the risk of falls occurring in various settings; (G) identify barriers to the adoption of proven interventions with respect to the prevention of falls among older adults; (H) develop, implement and evaluate the most effective approaches to reducing falls among high-risk older adults living in communities and long-term care and assisted living facilities; and (I) evaluate the effectiveness of community programs designed to prevent falls among older adults;

(2) Establish, a professional education program in fall prevention, evaluation and management for physicians, allied health professionals and other health care providers who provide services for the elderly in this state. The Commissioner of Social Services may contract for the establishment of such program through (A) a request for proposal process, (B) a competitive grant program, or (C) cooperative agreements with qualified organizations, institutions or consortia of qualified organizations and institutions.

Funding for this program is not provided through the General Fund. However, funding is provided through the Insurance Fund. Sections 52 through 54 of P.A. 09-5, SSS establish this program and its funding mechanism.

Other Expenses	0	500,000	0	500,000	0	500,000	0	500,000
Total - Insurance Fund	0	500,000	0	500,000	0	500,000	0	500,000

Implement HIV / AIDS Waiver

The HIV/AIDS waiver is a home and community-based services waiver that is being developed by DSS to provide additional services beyond those traditionally offered under Medicaid (e.g., case management, homemaker, personal care assistance, adult day health and respite) for up to 100 persons living with symptomatic HIV or AIDS.

-(Governor) The Governor recommends delaying the implementation of the HIV/AIDS waiver until July 1, 2011, for a savings of \$1.6 million in FY 10 and \$4.1 million in FY 11.

-(Legislative) The Legislature does not concur with the Governor's recommended delay.

Medicaid	0	0	0	0	0	1,612,230	0	4,080,220
Total - General Fund	0	0	0	0	0	1,612,230	0	4,080,220

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Add Procedure Code to Home Health Fee Schedule

DSS currently has a medication administration procedure code on its Medicaid fee schedule that is limited to oral, intravenous and subcutaneous administration. As a result, DSS pays for other routes of administration, such as patch, eye and ear drops, and lotions, at the more expensive full skilled nursing visit rate.

-(Governor) The Governor recommends that other routes of administration be added to the fee schedule and priced at the lower rate to reflect the lower level of service required for the administration of patches, eye and ear drops, lotions, and similar items, for an annual savings of \$355,000.

-(Legislative) Same as Governor.

Medicaid	0	-355,000	0	-355,000	0	0	0	0
Total - General Fund	0	-355,000	0	-355,000	0	0	0	0

Reduce General Fund Support for Long Term Care Ombudsman

The State Long-Term Care Ombudsman Program, authorized by the federal Older Americans Act, investigates and resolves complaints made by or on behalf of older individuals who are residents of long term care facilities.

-(Governor) The Governor recommends shifting \$360,000 in General Fund expenditures to existing federal funds. The department will continue to provide ombudsman services. This proposal may require shifting personnel expenses and/or decreasing contractual or other programmatic expenses.

-(Legislative) The Legislature provides a 20% reduction, rather than elimination, to General Fund support for the Long Term Care Ombudsman.

Personal Services	0	-72,000	0	-72,000	0	288,000	0	288,000
Total - General Fund	0	-72,000	0	-72,000	0	288,000	0	288,000

Money Follows the Person Cost and Caseload Update

The federal Money Follows the Person (MFP) Rebalancing Demonstration Grant encourages states to reduce their reliance on institutional care for Medicaid recipients by transitioning individuals out of institutional settings and into community settings with appropriate supports. As a result of the grant, DSS will receive enhanced federal Medicaid reimbursement for the first year of an individual's transition. DSS plans to transition up to 700 individuals over a five-year period, with the first transitions scheduled to occur in the first quarter of calendar year 2009.

-(Governor) The Governor recommends \$8.3 million in FY 10 and \$24.6 million in FY 11 to reflect anticipated cost and caseload requirements for the MFP program.

-(Legislative) The Legislature provides \$4.8 million in FY 10 and \$11.4 million in FY 11 to reflect slower than projected implementation of the MFP program.

	Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Other Expenses	0	122,124	0	257,114	0	0	0	0
Medicaid	0	3,143,710	0	8,302,056	0	-3,500,000	0	-3,200,000
Housing/Homeless Services	0	1,490,832	0	2,839,158	0	0	0	0
Total - General Fund	0	4,756,666	0	11,398,328	0	-3,500,000	0	-3,200,000

Limit Number of Chronic Care Transitions

For the chronic care waiver population of MFP, DSS planned to transition one individual in FY 09, 14 individuals in FY 10 and 24 individuals in FY 11 at an average annual cost of \$148,260 per year. DSS is projected to spend \$2.7 million in year one transition costs for 24 clients in FY 11. Although this represents just fewer than 12% of the approximately 200 transitions anticipated in FY 11, it accounts for over 26% of the costs.

-(Governor) The operational protocol will be revised to limit the number of transitions under the chronic care waiver to no more than 2% of the 700 clients expected to be transitioned under the demonstration period, for a savings of \$110,000 in FY 10 and \$1,850,000 in FY 11. By the end of the next biennium, after the majority of the transitions have occurred under the demonstration period, DSS will reassess this policy to determine where the state's limited resources should best be targeted.

-(Legislative) Same as Governor.

Medicaid	0	-110,000	0	-1,850,000	0	0	0	0
Total - General Fund	0	-110,000	0	-1,850,000	0	0	0	0

Eliminate General Fund Support of Independent Living Centers

The five Independent Living Centers for persons with significant disabilities provide an array of services to allow individuals to be active participants in the community and avoid institutionalization.

-(Governor) General Fund support of Independent Living Centers is eliminated in anticipation of additional federal funds under the federal stimulus bill.

-(Legislative) The Legislature provides partial General Fund support of Independent Living Centers in FY 10 in anticipation of additional federal funds under the federal stimulus bill.

Independent Living Centers	0	-225,927	0	0	0	440,000	0	665,927
Total - General Fund	0	-225,927	0	0	0	440,000	0	665,927

Pharmacy Programs Cost and Caseload Update

The Medicaid program provides pharmacy services for eligible recipients. The department pays for all prescriptions on a fee-for-service basis. The Connecticut Pharmaceutical Assistance Contract to the Elderly and the Disabled (ConnPACE) program helps eligible senior or disabled residents pay for covered prescription drugs, insulin, insulin syringes and needles. Enrollees pay a \$30 annual application fee. The Medicare Part D Supplemental Needs Fund provides financial assistance to dually eligible Medicare Part D recipients and ConnPACE recipients. This assistance is given to beneficiaries who can establish medical necessity for a drug that is

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

considered nonformulary in their Medicare Part D pharmacy plan.

Beginning February 1, 2008, pharmacy services for HUSKY A, HUSKY B and State Administered General Assistance (SAGA) clients were "carved out" of managed care. By creating a single pharmacy benefit structure that takes advantage of the cost containment strategies already in place under Medicaid and administering pharmacy services from one system, the department will be better able to control expenditures, while increasing the transparency of pharmacy services and expenditures for clients and providers.

-(Governor) Funding of \$38.5 million in FY 10 and \$91 million in FY 11 is provided to meet anticipated pharmacy costs.

-(Legislative) Same as Governor.

Medicaid	0	38,557,629	0	80,604,408	0	0	0	0
Connecticut Pharmaceutical Assistance Contract to the Elderly	0	-5,277,593	0	-2,203,483	0	0	0	0
State Administered General Assistance	0	3,791,865	0	8,706,951	0	0	0	0
Medicare Part D Supplemental Needs Fund	0	1,460,000	0	3,880,000	0	0	0	0
Total - General Fund	0	38,531,901	0	90,987,876	0	0	0	0

Include Mental Health Drugs in Preferred Drug List (PDL)

-(Governor) The Governor recommends adding mental health related drugs to the preferred drug list (PDL) in order to receive supplemental rebates on these drugs. For coverage of drugs that are not on the PDL, the extra step of receiving prior authorization will be required. In addition, to ensure appropriate prescribing, DSS will conduct evidence-based educational outreach to physicians to reduce the use of off-label anti-psychotics in children and other areas of high cost prescribing that present high clinical risk and/or limited effectiveness, beginning July 1, 2009. These efforts will be further strengthened by requiring prior authorization for certain drugs, including the use of off-label anti-psychotic drugs in children, regardless of whether the drug is on the PDL, beginning July 1, 2010. These measures are expected to result in a savings to the Medicaid and SAGA programs of \$1.9 million in FY 10 and \$2.1 million in FY 11.

-(Legislative) The Legislature partially concurs with the Governor. It recommends that existing mental health prescriptions be exempted for the preferred drug list process, but that all new mental health prescriptions be subject to the process. Section 38 of P.A. 09-5, SSS implements this policy.

Medicaid	0	-815,000	0	-895,000	0	815,000	0	895,000
State Administered General Assistance	0	-135,000	0	-145,000	0	135,000	0	145,000
Total - General Fund	0	-950,000	0	-1,040,000	0	950,000	0	1,040,000

Require Prior Authorization (PA) on High Cost items

Prior authorization is required when a drug is within one of the classes included on the preferred drug list, but the drug being requested is not on the PDL.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

-(Governor) The Governor recommends that DSS require prior authorization for certain high cost classes of drugs to ensure medical necessity, for a savings of \$1.4 million in FY 10 and \$1.5 million in FY 11. It is expected that this effort will initially focus on the narcotic analgesic class of drugs, which includes Actiq and Synagis.

-(Legislative) Same as Governor.

Medicaid	0	-1,160,000	0	-1,280,000	0	0	0	0
State Administered General Assistance	0	-190,000	0	-210,000	0	0	0	0
Total - General Fund	0	-1,350,000	0	-1,490,000	0	0	0	0

Reduce Automatic 30 - Day Fill

Currently when a recipient presents at the pharmacy with a new prescription that requires prior authorization (PA), the pharmacist can immediately (at the point of sale) dispense a 30 day supply without going through the PA process. On subsequent fills of the same medication, if no PA is requested and obtained, the claim will be denied because the prescriber must be contacted to request and receive prior authorization.

-(Governor) The Governor recommends eliminating the first 30 day fill without prior authorization. This is consistent with the department's policy prior to the pharmacy carve-out. This change will not eliminate the 5 day "emergency" supply when the prescriber cannot be contacted or DSS' contractor cannot complete the prior authorization within the required timeframes. This change is expected to save \$1.2 million in FY 10 and \$1.3 million in FY 11.

-(Legislative) The Legislature reduces the first 30 day fill without prior authorization to a 14 day fill. This change will not eliminate the 5 day "emergency" supply when the prescriber cannot be contacted or DSS' contractor cannot complete the prior authorization within the required timeframes. Section 34 of P.A. 09-5, SSS implements this change.

Medicaid	0	-803,200	0	-876,826	0	226,800	0	253,174
State Administered General Assistance	0	-108,800	0	-118,774	0	61,200	0	61,226
Total - General Fund	0	-912,000	0	-995,600	0	288,000	0	314,400

Change Early Refill Criteria from 75% to 85%

Currently, prior authorization is required to fill a prescription when less than 75% of the medication should have been taken based on the amount dispensed.

-(Governor) The Governor recommends changing the requirement to 85% to tighten control on early refills.

-(Legislative) Same as Governor.

Medicaid	0	-90,000	0	-99,000	0	0	0	0
State Administered General Assistance	0	-15,700	0	-17,000	0	0	0	0
Total - General Fund	0	-105,700	0	-116,000	0	0	0	0

Require Prior Authorization for Over the Counter Drugs

-(Governor) The Governor recommends eliminating coverage of over-the-counter drugs, with the exception of insulin and insulin syringes, under the department's

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Medicaid and SAGA pharmacy programs. This change is consistent with the current policy under the ConnPACE program. To comply with federal rules, Connecticut will continue to provide coverage of over-the-counter drugs to all children under the age of 21 under the HUSKY A program. This change is expected to save \$7 million in FY 10 and \$7.7 million in FY 11.

-(Legislative) The Legislature requires the use of prior authorization for generic drugs, for a savings of \$750,000 in FY 10 and \$1.5 million in FY 11. Section 34 of PA 09-5, SSS implements this change.

Medicaid	0	-750,000	0	-1,500,000	0	5,750,000	0	5,650,000
State Administered General Assistance	0	0	0	0	0	500,000	0	540,000
Total - General Fund	0	-750,000	0	-1,500,000	0	6,250,000	0	6,190,000

Implement Additional Pharmacy Savings

-(Legislative) The Legislature requires the department to strictly enforce the current statute concerning drug returns at nursing homes. This effort is expected to reduce expenditures by \$1.5 million annually. Furthermore, the Legislature recommends eliminating the department's current vacation policy that allows early refills twice annually. This change is expected to save \$500,000 annually.

Medicaid	0	-2,000,000	0	-2,000,000	0	-2,000,000	0	-2,000,000
Total - General Fund	0	-2,000,000	0	-2,000,000	0	-2,000,000	0	-2,000,000

Maintain Pharmacy Reimbursement

-(Governor) The Governor recommends reducing the reimbursement level to pharmacy providers for the department's pharmacy programs from the average wholesale price (AWP) minus 14% to AWP minus 15%. This change is expected to save \$6.5 million in FY 10 and \$7.1 million in FY 11.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Medicaid	0	0	0	0	0	5,560,000	0	6,120,000
State Administered General Assistance	0	0	0	0	0	940,000	0	1,020,000
Total - General Fund	0	0	0	0	0	6,500,000	0	7,140,000

Reduce Dispensing Fee Paid to Pharmacies

-(Governor) The Governor recommends reducing the dispensing fee paid to pharmacy providers for each prescription filled under the department's pharmacy programs from \$3.15 to \$2.15. This change will save \$4.1 million in FY 10 and \$4.5 million in FY 11.

-(Legislative) The Legislature reduces the dispensing fee to \$2.65. Section 71 of PA 09-5, SSS implements this change.

Medicaid	0	-1,610,000	0	-1,770,000	0	1,610,000	0	1,770,000
State Administered General Assistance	0	-455,000	0	-490,000	0	455,000	0	490,000
Total - General Fund	0	-2,065,000	0	-2,260,000	0	2,065,000	0	2,260,000

Reduce MAC Pricing

Maximum Allowable Cost (MAC) programs are designed to ensure state Medicaid programs pay appropriate prices for generic and multi-source brand drugs.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

-(**Governor**) The Governor recommends revising MAC reimbursement under the department's pharmacy programs from the average wholesale price (AWP) minus 40% to AWP minus 50%.

-(**Legislative**) The Legislature revises MAC reimbursement to AWP minus 45%. Section 43 of P.A. 09-5, SSS implements this change.

Medicaid	0	-820,000	0	-900,000	0	820,000	0	900,000
State Administered General Assistance	0	-180,000	0	-195,000	0	180,000	0	195,000
Total - General Fund	0	-1,000,000	0	-1,095,000	0	1,000,000	0	1,095,000

Alter Medicare Part D Co-Payment Coverage for Dually Eligible Clients

As of 2007, Connecticut was one of only eight states covering the costs of the Medicare Part D co-payments for persons dually eligible for Medicare and Medicaid. DSS is covering the costs of the Part D prescription co-pays, which range from \$1.10 to \$6.00 in 2009.

-(**Governor**) The Governor recommends requiring dually eligible clients to be responsible for paying up to \$20 per month in Medicare co-pays for Part D-covered drugs, for a savings of \$3.7 million in FY 10 and \$4 million in FY 11.

-(**Legislative**) The Legislature requires dually eligible clients to be responsible for paying up to \$15 per month in Medicare co-pays for Part D-covered drugs. Section 31 of PA 09-5, SSS implements this change.

Medicaid	0	-2,700,000	0	-2,900,000	0	1,000,000	0	1,100,000
Total - General Fund	0	-2,700,000	0	-2,900,000	0	1,000,000	0	1,100,000

Reduce Payment of Non-Formulary Drugs for Dually Eligible Clients

The Medicare Part D non-formulary exception review process was implemented in January, 2007. The department pays for non-formulary drugs prescribed to individuals that are not on the formulary of the Part D plans. For drugs costing more than \$250, department staff work as intermediaries between the Part D plan, the prescriber and the clients to either have the physician change the prescription to a formulary drug or to get the Part D plan to cover the prescription if medically necessary.

-(**Governor**) The Governor recommends eliminating non-formulary coverage for dually eligible clients, who are eligible for both Medicare and Medicaid, and for ConnPACE clients.

-(**Legislative**) The Legislature provides \$3.1 million in FY 10 and \$4.3 million in FY 11 to provide limited coverage of non-formulary drugs.

Medicare Part D Supplemental Needs Fund	0	-23,120,000	0	-24,330,000	0	3,120,000	0	4,330,000
Total - General Fund	0	-23,120,000	0	-24,330,000	0	3,120,000	0	4,330,000

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Require Enrollment in Benchmark Plans

Currently, persons dually eligible for Medicare and Medicaid, and ConnPACE recipients in Medicare Part D may enroll in any Part D prescription drug plan of their choice. CMS pays the monthly benchmark premium (\$31.74 in calendar year 2009) for those individuals receiving the federal Part D low-income subsidy, but when clients enroll in a plan costing more than the benchmark amount, DSS pays the difference. Of the 47 prescription drug plans available to enrollees in program year 2009, 26 are enhanced plans, with premiums ranging as high as \$111.30. Clients are increasingly enrolling in enhanced plans, although generally there are no substantive benefits to the higher costing plans.

-(Governor) The Governor recommends requiring all dually eligible and ConnPACE recipients participating in Medicare Part D to enroll in one of the 12 benchmark plans. Limiting enrollment to benchmark plans will simplify the coordination of benefits and premium payment and plan reconciliation. This proposal is expected to save \$900,000 in FY 10 and \$1.8 million in FY 11.

-(Legislative) Same as Governor.

Medicaid	0	-450,000	0	-920,000	0	0	0	0
Connecticut Pharmaceutical Assistance Contract to the Elderly	0	-450,000	0	-890,000	0	0	0	0
Total - General Fund	0	-900,000	0	-1,810,000	0	0	0	0

Maintain ConnPACE Asset Standards

-(Governor) The Governor recommends applying the asset test used for determining eligibility for the low-income subsidy under Medicare Part D to ConnPACE enrollees (i.e., \$12,510 for individuals and \$25,010 for married couples for 2009). These asset levels will be indexed each year in accordance with the federal Medicare Part D program. It is anticipated that such an asset test will reduce ConnPACE enrollment by over 15,000. This proposal is anticipated to save \$23.9 million in FY 10 and \$24.9 million in FY 11.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Connecticut Pharmaceutical Assistance Contract to the Elderly	0	0	0	0	0	23,890,000	0	24,900,000
Total - General Fund	0	0	0	0	0	23,890,000	0	24,900,000

Increase ConnPace Enrollment Fee

-(Governor) The Governor recommends increasing the annual fee for the ConnPACE program from \$30 to \$45.

-(Legislative) Same as Governor.

Connecticut Pharmaceutical Assistance Contract to the Elderly	0	-260,000	0	-250,000	0	0	0	0
Total - General Fund	0	-260,000	0	-250,000	0	0	0	0

Suspend COLA Increase for ConnPACE Eligibility Determination

Income limits for the ConnPACE program are adjusted each January based on the cost-of-living adjustment provided by the Social Security Administration.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

-(Governor) Income limits will not be increased by the 2010 and 2011 cost-of-living adjustments.

-(Legislative) Same as Governor.

Connecticut Pharmaceutical Assistance Contract to the Elderly	0	-130,000	0	-880,000	0	0	0	0
Total - General Fund	0	-130,000	0	-880,000	0	0	0	0

Establish Open Enrollment Period for ConnPACE

-(Governor) The Governor recommends establishing an open enrollment period under ConnPACE effective January 1, 2010. Individuals will be eligible to enroll in the ConnPACE program during the open enrollment period or within 31 days of turning age 65 or becoming eligible for disability benefits under the Social Security Disability Income (SSDI) or Supplemental Security Income (SSI) programs. The open enrollment period will coincide with the open enrollment period for the Medicare Part D program - November 15 through December 31. This proposal is expected to save \$240,000 in FY 10 and \$600,000 in FY 11.

-(Legislative) Same as Governor.

Connecticut Pharmaceutical Assistance Contract to the Elderly	0	-240,000	0	-600,000	0	0	0	0
Total - General Fund	0	-240,000	0	-600,000	0	0	0	0

Transition Clients to Medicare Benefits

-(Legislative) PA 09-2 (AAC Deficit Mitigation Measures) requires DSS to increase the income disregards for two Medicare Savings Programs to income limits in effect for the ConnPACE program. This change will allow certain people currently eligible for ConnPACE (a fully state funded program) to access pharmaceuticals under the Low Income Subsidy portion of the federal Medicare Part D program.

DSS currently pays the monthly Medicare Part B premiums, co-pays and deductibles for most of the clients in the Medicare Savings Program. The state pays the federal government for these costs through a Medicaid revenue offset. These costs are funded through a combination of Medicaid (50% federal / 50% state) and a federal block grant under the Additional Low-Income Medicare Beneficiary (ALMB) program. It is anticipated that through an increase in the income disregard (and a related change in asset test), enrollment in the Medicare Savings programs will increase.

When annualized, this transition to Medicare benefits is expected to save the state \$30 million annually in ConnPACE costs. However, this savings is offset by a Medicaid revenue loss resulting in a net state savings of approximately \$4 million. This revenue loss assumes that this change will be eligible for the enhanced Medicaid match under the federal stimulus bill. Should this change not be eligible for the enhanced match, this transition will result in a net state cost of between \$2.5 million and \$3 million.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

The Legislature provides the department with 9 positions and associated funding to help transition these clients to the federal benefit.

Personal Services	9	450,000	9	472,500	9	450,000	9	472,500
Connecticut Pharmaceutical Assistance Contract to the Elderly	0	-25,000,000	0	-30,000,000	0	-25,000,000	0	-30,000,000
Total - General Fund	9	-24,550,000	9	-29,527,500	9	-24,550,000	9	-29,527,500

State Administered General Assistance Cost and Caseload Update

The State Administered General Assistance (SAGA) program provides cash and medical benefits for eligible low-income individuals. The program underwent a major restructuring in FY 04. Cash assistance benefits for recipients determined to be unemployable and for recipients deemed to be transitional with no rent costs were significantly reduced. Medical assistance payments to hospitals are now capped and, with the exception of pharmacy and dental services, all non-hospital services are administered under a contractual arrangement with the department.

-(Governor) Funding of \$17.7 million in FY 10 and \$24.7 million in FY 11 is provided to meet anticipated program needs.

-(Legislative) Same as Governor.

State Administered General Assistance	0	17,669,306	0	24,694,750	0	0	0	0
Total - General Fund	0	17,669,306	0	24,694,750	0	0	0	0

Restore Supplemental Payments for Undocumented Pregnant Women

Beginning in FY 09, DSS plans to make payments to participating providers - FQHCs and hospital clinics - on a first come, first served basis, with the payments totaling \$800 per person for pre-natal care when the mother is undocumented. As the funding available under SAGA is capped at \$2.0 million per year, once that amount is expended, no further grants will be made in the fiscal year.

-(Governor) The Governor recommends eliminating these grant payments to FQHC's and hospitals, for an annual savings of \$2 million.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

State Administered General Assistance	0	0	0	0	0	2,000,000	0	2,000,000
Total - General Fund	0	0	0	0	0	2,000,000	0	2,000,000

Restore Vision and NEMT Benefits under SAGA

In FY 07, the legislature provided funding for a limited vision and non-emergency medical transportation program under SAGA.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

-(Governor) The Governor recommends eliminating these expanded benefits. It is anticipated that DSS will continue to provide transportation for dialysis and cancer treatments. This proposal is expected to save \$1.1 million in FY 10 and \$1.2 million in FY 11.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

State Administered General Assistance	0	0	0	0	0	1,100,000	0	1,170,000
Total - General Fund	0	0	0	0	0	1,100,000	0	1,170,000

Implement SAGA / Medicaid Waiver

-(Legislative) The Legislature requires DSS to submit a federal waiver to include the current population of the State Administered General Assistance (SAGA) program within the state Medicaid program. Additional appropriations of \$43.3 million in FY 10 and \$91 million in FY 11 are provided to reflect elevating current SAGA rates to the Medicaid level. These additional costs are offset by new anticipated federal revenue of \$50.1 million in FY 10 and \$129.5 million in FY 11. Therefore, should this federal waiver be approved, the state would realize a net savings of \$6.8 million in FY 10 and \$38.6 million in FY 11. Section 55 of PA 09-2, SSS implements this change.

State Administered General Assistance	0	43,300,000	0	91,000,000	0	43,300,000	0	91,000,000
Total - General Fund	0	43,300,000	0	91,000,000	0	43,300,000	0	91,000,000

Temporary Family Assistance Cost and Caseload Update

The TFA program provides cash assistance to eligible low-income families. The TFA program limits assistance to 21 months for non-exempt cases, with possible 6-month extensions for good cause. Individuals in the TFA program are usually eligible for health care services provided under the state's Medicaid program. As a result of a healthy economy and the state's welfare reform effort, the average monthly caseload under this (and its predecessor) program has declined from over 60,000 families in FY 95 to 20,000 paid cases at the end of calendar year 2008.

-(Governor) Funding of \$5.5 million in FY 10 and \$7.2 million in FY 11 is provided to reflect anticipated program needs.

-(Legislative) Same as Governor.

Temporary Assistance to Families - TANF	0	5,478,766	0	7,202,554	0	0	0	0
Total - General Fund	0	5,478,766	0	7,202,554	0	0	0	0

Restore Transportation for Employment Independence

Transportation for Employment Independence supports transportation programs for adults on Temporary Family Assistance for work and work-related activities, including van pools, extended fixed route bus service, fare subsidies and automotive emergency repair services.

-(Governor) The Governor recommends reducing funding for Transportation for Employment Independence by 25%.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Transportation for Employment Independence Program	0	0	0	0	0	830,400	0	830,400
Total - General Fund	0	0	0	0	0	830,400	0	830,400

Increase Capacity to Execute Capias Mittimus Orders

From January 1, 2003 through December 31, 2008, a backlog of almost 5,000 unserved capias mittimus orders in family child support matters has accumulated.

-(Governor) The governor proposes legislation to increase the number of capias mittimus sworn police officers allowed under statute from four to six. This proposal is expected to result in a revenue gain of \$85,000 due to increased child support collections that offset state public assistance costs.

-(Legislative) Same as Governor.

Supplemental Assistance Cost and Caseload Update

Supplemental Assistance consists of Old Age Assistance, Aid to the Blind and Aid to the Disabled. These programs provide monthly financial assistance to low-income individuals. The supplemental assistance programs are entirely state funded, but operate under both state and federal guidelines. In order to receive benefits, an individual must have another source of income to supplement, such as the federal Social Security, Supplemental Security Income, or Veteran's Benefits. All recipients are automatically eligible for health care benefits under the state Medicaid program.

-(Governor) Funding of \$3.9 million in FY 10 and \$6.9 million in FY 11 is provided to reflect anticipated cost and caseload trends.

-(Legislative) Same as Governor.

Old Age Assistance	0	2,812,509	0	4,129,904	0	0	0	0
Aid to the Blind	0	99,807	0	113,548	0	0	0	0
Aid to the Disabled	0	962,898	0	2,655,560	0	0	0	0
Total - General Fund	0	3,875,214	0	6,899,012	0	0	0	0

Allow Special Needs Trusts in State Supplement

When recipients of AABD receive Supplemental Security Income (SSI) and/or Social Security (SSA) benefits, their income may, over time, reach levels which makes them ineligible for further AABD assistance. When this occurs, they are likely to move into a higher cost nursing home setting.

-(Governor) The Governor proposes allowing special needs trusts to be used to reduce the countable income of those boarding home residents whose increased income would have made them ineligible for

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

AABD. This change will enable them to remain in a boarding home and avoid nursing home placement. It is anticipated that this change will affect approximately 25 residents, and result in a savings to the state of \$918,153 in FY 10 and \$1.2 million in FY 11.

-(Legislative) Same as Governor.

Medicaid	0	-1,348,200	0	-1,797,600	0	0	0	0
Old Age Assistance	0	344,727	0	459,636	0	0	0	0
Aid to the Disabled	0	85,320	0	113,760	0	0	0	0
Total - General Fund	0	-918,153	0	-1,224,204	0	0	0	0

Apply Annual Social Security Increases to Offset Supplemental Assistance Costs

In past years, any cost of living adjustments (COLA) received as part of an AABD client's Social Security benefit were considered an increase in income and applied to the client's cost of care. Recent legislation, however, allows AABD clients to retain their Social Security COLA (by increasing the unearned income disregard) without a concurrent reduction in their state benefit.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Old Age Assistance	0	0	0	0	0	245,495	0	847,953
Aid to the Blind	0	0	0	0	0	9,435	0	32,589
Aid to the Disabled	0	0	0	0	0	617,160	0	2,131,704
Total - General Fund	0	0	0	0	0	872,090	0	3,012,246

Require Certification for Medication Administration

-(Governor) The Governor recommends requiring residential care homes and boarding homes to have individual employees certified so that they can provide medication administration to their residents. Nurses will still be required to administer all injections. This proposal provides additional funds for training, liability insurance, supervision and other implementation costs. This proposal has a net savings of \$1.5 million in FY 10 and \$2.9 million in FY 11.

-(Legislative) The Legislature concurs with the Governor, but provides that nurses may still administer these medications if ordered by a physician as medically necessary. Section 44 of P.A. 09-2, SSS implements this change.

Medicaid	0	-1,620,000	0	-3,240,000	0	540,000	0	1,080,000
Old Age Assistance	0	350,000	0	700,000	0	0	0	0
Aid to the Blind	0	15,000	0	30,000	0	0	0	0
Aid to the Disabled	0	350,000	0	700,000	0	0	0	0
Total - General Fund	0	-905,000	0	-1,810,000	0	540,000	0	1,080,000

Eliminate Public Assistance Payment Increases

Under current law, effective July 1, 2009 and July 1, 2010, recipients of Temporary Family Assistance, State Administered General Assistance, and the Aid to the Aged, Blind and Disabled programs are scheduled to receive a state-funded cost of living adjustment based on the percentage increase in the Consumer Price Index - Urban (CPI-U), assumed to be 6.0% in FY 10 and 3.5% in FY 11. These increases total \$7.7 million in FY 10 and \$11.8 million in FY 11.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Additionally, under current statute, DSS is required to annually determine rates for various boarding homes. Per DSS regulations, boarding home rate increases are based on actual cost reports submitted by facilities, barring any legislation to remove rate increases for a particular fiscal year. These increases total \$4.5 million in FY 10 and \$9.3 million in FY 11.

-(Governor) The Governor recommends eliminating statutory increases for the Public Assistance programs.

-(Legislative) Same as Governor.

Child Care Services Cost and Caseload Update

The department offers a variety of child care benefits intended to allow low-income families to become self-sufficient in the working world.

-(Governor) Funding of \$10.8 million in FY 10 and \$2.8 million in FY 11 is provided to reflect anticipated program needs.

-(Legislative) Same as Governor.

Child Care Services-TANF/CCDBG	0	10,753,728	0	2,796,809	0	0	0	0
Total - General Fund	0	10,753,728	0	2,796,809	0	0	0	0

Restore Child Care Quality

As a condition of the \$51.2 million Child Care Development Block Grant (CCDBG), Connecticut is required to spend \$3.2 million on quality activities. Current annual quality expenditures total \$4.6 million, or \$1.4 million in excess of the federal grant requirement.

-(Governor) The Governor recommends that the Quality Enhancement Grant Program be eliminated and quality enhancement initiatives be streamlined to focus on managing the child care provider credentialing verification process, assisting teachers and providers in pursuing an advanced career path and providing scholarships for child care providers for accreditation needs through Connecticut Charts-A-Course.

-(Legislative) The Legislature does not concur with the Governor's recommendation as this appears to conflict with federal maintenance of efforts requirements under the American Recovery and Reinvestment Act.

School Readiness	0	0	0	0	0	1,330,000	0	1,330,000
Total - General Fund	0	0	0	0	0	1,330,000	0	1,330,000

Eliminate UConn Child Care Newsletter

-(Governor) Funding is eliminated for a contract with the University of Connecticut to provide the "All Children Considered" newsletter to parents and providers on state regulations, key topics and professional development information and resources in early care and school-age child care.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

-(Legislative) The Legislature does not concur with the Governor's recommendation as this appears to conflict with federal maintenance of efforts requirements under the American Recovery and Reinvestment Act.

Day Care Projects	0	0	0	0	0	30,000	0	30,000
Total - General Fund	0	0	0	0	0	30,000	0	30,000

Implement Rapid Rehousing Initiative

-(Governor) The Governor proposes that DSS, in concert with the Department of Children and Families and the Department of Economic and Community Development, refocus its shelter programming to implement a "rapid rehousing" initiative within existing resources. Through this initiative, shelters will offer financial and housing specialist supports and intensive counseling to families experiencing a housing crisis. These efforts are expected to reduce shelter stays and expedite placement and stabilization in the community.

-(Legislative) Same as Governor.

Bring TANF / Revenue Maximization Efforts In-House

-(Governor) The Governor recommends hiring two individuals to allow DSS to conduct revenue maximization efforts in-house, rather than by private contract. This change is expected to result in a net savings of \$570,978 in FY 10 and \$563,237 in FY 11.

-(Legislative) Same as Governor.

Personal Services	2	129,022	2	136,763	0	0	0	0
Other Expenses	0	-700,000	0	-700,000	0	0	0	0
Total - General Fund	2	-570,978	2	-563,237	0	0	0	0

Continue Program Support

-(Legislative) The Legislature provides funding to continue the support of the Supportive Housing and Citizenship Training programs.

Housing/Homeless Services	0	264,000	0	264,000	0	264,000	0	264,000
Community Services	0	100,000	0	100,000	0	100,000	0	100,000
Total - General Fund	0	364,000	0	364,000	0	364,000	0	364,000

Maintain Children's Health Council Account

While the Children's Health Council no longer exists, the department utilizes funding to provide analyses of trends in HUSKY eligibility and to coordinate outreach activities.

-(Governor) Funding is eliminated, given the department's ability to report on HUSKY efforts and due to outreach efforts underway through the Governor's Enrollment in Schools and Enrollment at Birth initiatives.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Children's Health Council	0	0	0	0	0	218,317	0	218,317
Total - General Fund	0	0	0	0	0	218,317	0	218,317

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Eliminate General Fund Support for Essential Services

The Essential Services program provides up to \$650 in monthly support services to persons with a disability, age 18-64, at risk of institutionalization.

-(**Governor**) The Governor recommends eliminating the state appropriation of \$73,095 and fully supporting this program with approximately \$6 million in federal Social Services Block Grant funding.

-(**Legislative**) Same as Governor.

Services for Persons With Disabilities	0	-73,095	0	-73,095	0	0	0	0
Total - General Fund	0	-73,095	0	-73,095	0	0	0	0

Suspend Community Programs

-(**Legislative**) The Legislature reduces funding to reflect the suspension of General Fund support for the Family Crisis and Home Share programs for the biennium.

Services to the Elderly	0	-107,300	0	-107,300	0	-107,300	0	-107,300
Family Grants	0	-484,133	0	-484,133	0	-484,133	0	-484,133
Total - General Fund	0	-591,433	0	-591,433	0	-591,433	0	-591,433

Create a Community and Social Services Block Grant

-(**Governor**) The Governor recommends that funding from a variety of non-entitlement programs within DSS will be reallocated into a Community and Social Services Block Grant. Approximately \$7.5 million in funding will be distributed according to a plan developed by regional planning organizations, subject to review and approval by the Department of Social Services, the Office of Policy and Management and the legislative committees of cognizance. This will impact the following accounts: Human Resource Development - General and Hispanic, Human Services Infrastructure/Community Action Program, Community Services, Teen Pregnancy Prevention and Services to the Elderly. The Governor's recommendation reflects a net reduction of \$2.5 million annually.

-(**Legislative**) The Legislature does not concur with the Governor's recommendation.

Human Resource Development-Hispanic Programs	0	0	0	0	0	1,040,365	0	1,040,365
Services to the Elderly	0	0	0	0	0	1,039,512	0	1,039,512
Human Resource Development	0	0	0	0	0	38,581	0	38,581
Community Services	0	0	0	0	0	1,341,301	0	1,341,301
Human Service Infrastructure Community Action Program	0	0	0	0	0	3,998,796	0	3,998,796
Teen Pregnancy Prevention	0	0	0	0	0	1,527,384	0	1,527,384
Community and Social Services Block Grant	0	0	0	0	0	-7,515,472	0	-7,515,472
Human Resource Development	0	0	0	0	0	31,034	0	31,034
Human Resource Development-Hispanic Programs	0	0	0	0	0	5,900	0	5,900
Teen Pregnancy Prevention	0	0	0	0	0	870,326	0	870,326
Services to the Elderly	0	0	0	0	0	44,405	0	44,405
Community Services	0	0	0	0	0	116,358	0	116,358
Total - General Fund	0	0	0	0	0	2,538,490	0	2,538,490

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Create Employment Services Block Grant

-(Governor) The Governor recommends reallocating funding, from the Employment Opportunities Program and general employment services within the Community Services account, into an Employment Services Block Grant. Approximately \$1.2 million will be distributed according to a plan developed by regional planning organizations, subject to review and approval by the Department of Social Services, the Office of Policy and Management and the legislative committees of cognizance. This proposal reflects a net reduction of \$428,522 annually.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Employment Opportunities	0	0	0	0	0	1,231,379	0	1,231,379
Community Services	0	0	0	0	0	482,709	0	482,709
Employment Services Block Grant	0	0	0	0	0	-1,285,566	0	-1,285,566
Total - General Fund	0	0	0	0	0	428,522	0	428,522

Expand Nutrition Assistance Efforts

-(Governor) The Governor recommends three expansions of the state's nutrition efforts:

- The federal Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program, is a 100% federally funded nutrition program that helps low-income individuals and families purchase food. The USDA allows states to expand categorical eligibility by providing a non-financial benefit or service for which 50% or more of the cost is funded through Temporary Assistance to Needy Families (TANF) if that benefit or service fulfills TANF purpose #3 (teen pregnancy prevention) or #4 (maintaining and supporting families). Under this proposal, DSS will expand categorical eligibility by providing an informational and referral brochure about other programs available that would fulfill purposes #3 and #4 under TANF to all households that are receiving or apply for SNAP. This will allow DSS to increase the gross income test up to 185% FPL, compared to 130% under current policy, and eliminate the asset limit, thereby increasing the number of potential families that can be served under SNAP;
- An additional appropriation of \$300,000 annually for bulk food purchasing at a reduced cost. One-third of the funds will be provided to Food Share and the remainder to the Connecticut Food Bank for distribution to food pantries, food banks, shelters and soup kitchens within their respective regions; and
- An additional appropriation of \$450,000 annually to address the wait list for home-delivered meals, increase the number of weekend meals, and/or expand the benefit or number of elderly who participate.

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

-(Legislative) The Legislature provides a reduced level of support for expanded nutrition efforts.

Other Expenses	0	80,100	0	13,600	0	0	0	0
State Food Stamp Supplement	0	50,000	0	100,000	0	0	0	0
Services to the Elderly	0	150,000	0	150,000	0	-300,000	0	-300,000
Nutrition Assistance	0	75,000	0	75,000	0	-225,000	0	-225,000
Total - General Fund	0	355,100	0	338,600	0	-525,000	0	-525,000

Obtain Equipment Through the Capital Equipment Purchase Fund

The Capital Equipment Purchase Fund (CEPF) is used by most executive branch agencies to purchase or lease equipment with a life span of at least five years. The state funds these purchases by issuing GO bonds with maturities of up to five years. The CEPF is authorized by CGS Sec. 4a-9 and administered by the Office of Policy and Management.

-(Governor) Funding for the purchase of various equipment items for the agency is removed from the General Fund and will be provided by the CEPF (Bond Funds). Equipment funding in the amount of \$100 remains in the agency's budget for FY 10 and FY 11.

-(Legislative) Same as Governor.

Equipment	0	-6,420,678	0	-2,490,770	0	0	0	0
Total - General Fund	0	-6,420,678	0	-2,490,770	0	0	0	0

Reduce Funding to Reflect the Rollout of the FY 09 Recisions

The Governor initiated four rounds of recisions in FY 09 totaling \$178.2 million in General Fund and \$31.4 million in Other Funds. The Governor's FY 10 - FY 11 Biennial Budget includes the rollout of some of these FY 09 recisions across various agencies.

-(Governor) Funding of \$4.9 million is reduced in FY 10 and FY 11 to reflect the rollout of the Governor's FY 09 recisions.

-(Legislative) Same as Governor.

Other Expenses	0	-1,647,498	0	-1,647,498	0	0	0	0
Services to the Elderly	0	-335,000	0	-335,000	0	0	0	0
Nutrition Assistance	0	-100,000	0	-100,000	0	0	0	0
Housing/Homeless Services	0	-863,000	0	-863,000	0	0	0	0
School Readiness	0	-391,624	0	-391,624	0	0	0	0
Community Services	0	-780,000	0	-780,000	0	0	0	0
Human Service Infrastructure Community Action Program	0	-700,000	0	-700,000	0	0	0	0
Housing/Homeless Services	0	-75,000	0	-75,000	0	0	0	0
Total - General Fund	0	-4,892,122	0	-4,892,122	0	0	0	0

Eliminate Vacant Positions

-(Governor) Funding of \$575,400 is reduced in FY 10 FY 11 to reflect the elimination of 12 positions that are currently vacant.

-(Legislative) Same as Governor.

Personal Services	-12	-575,400	-12	-575,400	0	0	0	0
Total - General Fund	-12	-575,400	-12	-575,400	0	0	0	0

Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

Restore Wallingford Processing Center

The proposed Wallingford Processing Center would centralize services to clients who do not require office visits or face-to-face interaction.

-(Governor) The Governor proposes deferring the centralized processing center initiative through the biennium, for an annual savings of \$311,261.

-(Legislative) The Legislature does not concur with the Governor's recommendation.

Other Expenses	0	0	0	0	0	311,261	0	311,261
Total - General Fund	0	0	0	0	0	311,261	0	311,261

Achieve Other Expenses General Savings

-(Governor) Funding of \$174,161 is reduced in FY 10 and FY 11 to reflect a general savings due to streamlining of business operations in this agency. Savings are anticipated across various state agencies to result from a reduction in operating costs (examples include: cellular communications services, in-state travel, mileage reimbursement, food/beverage, motor vehicle rental and fuel).

-(Legislative) The legislature reduces Other Expenses funding by \$8.1 million in FY 10 and \$8 million in FY 11.

Other Expenses	0	-8,084,637	0	-8,123,980	0	-7,910,476	0	-7,949,819
Total - General Fund	0	-8,084,637	0	-8,123,980	0	-7,910,476	0	-7,949,819

Carry Forward FY 09 Funding

-(Legislative) A total of \$10.7 million in Other Expenses Funding is carried forward to FY 10. These funds will be are for the following purposes:

Consulting Services – On-line Application System	\$ 156,064
On-line Application System	\$ 1,500,000
MIS Maint & Supp – Raymond v. Rowland lawsuit	\$ 2,785,500
Consulting Services - Raymond v. Rowland lawsuit	\$ 1,532,806
Licenses – Raymond v. Rowland lawsuit	\$ 16,750
Facility renovations – Raymond v. Rowland lawsuit	\$ 2,731,044
Service Needs Assessment – Raymond v. Rowland	\$ 10,000
Center for Medicare Advocacy	\$ 1,199,775
Mercer Actuarial Services	\$ 748,062

Additionally, \$3.3 million in Medicaid funding is carried forward for the following:

(1) up to \$7,076,100 for costs associated with the Raymond v. Rowland settlement; (2) up to \$1,656,064 to develop an on-line application system; and (3) remaining unexpended balance (\$1,947,837) to cover payments to providers due to processing delays.

Other Expenses	0	10,680,001	0	0	0	10,680,001	0	0
Medicaid	0	3,316,958	0	0	0	3,316,958	0	0
Total - Carry Forward Funding	0	13,996,959	0	0	0	13,996,959	0	0

	Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Merge Children's Trust Fund								
-(Legislative) Funding is transferred to DSS to reflect the inclusion of the programs of the Children's Trust Fund Council, as well as the position of Executive Director.								
Personal Services	1	92,614	1	114,665	1	92,614	1	114,665
Childrens' Trust Fund	0	11,423,456	0	13,673,147	0	11,423,456	0	13,673,147
Total - General Fund	1	11,516,070	1	13,787,812	1	11,516,070	1	13,787,812
Budget Totals - GF	1,903	5,066,458,549	1,913	4,996,302,807	10	35,628,661	20	-226,555,967
Budget Totals - IF	0	500,000	0	500,000	0	500,000	0	500,000
Budget Totals - OF	0	13,996,959	0	0	0	13,996,959	0	0

[1] In order to achieve an aggregate FY 10 budgeted lapse, the Office of Policy and Management has programmed allotment reductions for agencies that comprise the various lapses in Section 1 of PA 09-3 JSS. A detailed list of holdbacks by agency is included in the Financial Schedules section of the book.

State Department on Aging SDA62500

	Actual Expenditure FY 08	Estimated FY 09	Governor Recommended FY 10	Governor Recommended FY 11	Legislative FY 10	Legislative FY 11
POSITION SUMMARY						
Permanent Full-Time	0	4	4	4	4	4
BUDGET SUMMARY						
Personal Services	0	0	330,750	334,615	0	334,615
Other Expenses	0	0	118,250	118,250	100	118,250
Equipment	0	0	100	100	0	100
Agency Total - General Fund [1]	0	0	449,100	452,965	100	452,965

	Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
FY 09 Governor Estimated Expenditures - GF	4	0	4	0	0	0	0	0
Inflation and Non-Program Changes								
Personal Services	0	330,750	0	334,615	0	0	0	0
Other Expenses	0	118,250	0	118,250	0	0	0	0
Equipment	0	6,200	0	3,600	0	0	0	0
Total - General Fund	0	455,200	0	456,465	0	0	0	0

Obtain Equipment through the Capital Equipment Purchase Fund

The Capital Equipment Purchase Fund (CEPF) is used by most executive branch agencies to purchase or lease equipment with a life span of at least five years. The state funds these purchases by issuing GO bonds with maturities of up to five years. The CEPF is authorized by CGS Sec. 4a-9 and administered by the Office of Policy and Management.

-(Governor) Funding for the purchase of various equipment items for the agency is removed from the General Fund and will be provided by the CEPF (Bond Funds). Equipment funding in the amount of \$100 remains in the agency's budget for FY 10 and FY 11.

-(Legislative) Same as Governor.

Equipment	0	-6,100	0	-3,500	0	0	0	0
Total - General Fund	0	-6,100	0	-3,500	0	0	0	0

Delay Implementation

-(Legislative) The Legislature eliminates \$449,000 in FY 10 to recognize a one year delay in the implementation of the Department on Aging. Section 19 of PA 09-5, SSS (the Human Services Budget Implementer) makes this delay.

Personal Services	0	-330,750	0	0	0	-330,750	0	0
Other Expenses	0	-118,150	0	0	0	-118,150	0	0
Equipment	0	-100	0	0	0	-100	0	0
Total - General Fund	0	-449,000	0	0	0	-449,000	0	0
Budget Totals - GF	4	100	4	452,965	0	-449,000	0	0

[1] In order to achieve an aggregate FY 10 budgeted lapse, the Office of Policy and Management has programmed allotment reductions for agencies that comprise the various lapses in Section 1 of PA 09-3 JSS. A detailed list of holdbacks by agency is included in the Financial Schedules section of the book.

Soldiers, Sailors and Marines' Fund SSM63000

	Actual Expenditure FY 08	Estimated FY 09	Governor Recommended FY 10	Governor Recommended FY 11	Legislative FY 10	Legislative FY 11
POSITION SUMMARY						
Permanent Full-Time - SF	12	12	4	4	9	9
BUDGET SUMMARY						
Personal Services	701,650	750,774	353,200	353,200	562,939	565,291
Other Expenses	55,897	84,321	82,788	82,799	82,788	82,799
Equipment	5,588	9,975	0	0	0	0
Other Current Expenses						
Award Payments to Veterans	1,924,645	1,979,800	1,979,800	1,979,800	1,979,800	1,979,800
Fringe Benefits	416,828	446,806	224,000	224,000	352,941	369,653
Agency Total - Soldiers, Sailors and Marines' Fund [1]	3,104,608	3,271,676	2,639,788	2,639,799	2,978,468	2,997,543

	Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
FY 09 Governor Estimated Expenditures - SF	12	3,271,676	12	3,271,676	0	0	0	0
Inflation and Non-Program Changes								
Personal Services	0	-26,481	0	-24,129	0	0	0	0
Other Expenses	0	3,268	0	3,279	0	0	0	0
Equipment	0	-9,975	0	-9,975	0	0	0	0
Fringe Benefits	0	-280	0	16,432	0	0	0	0
Total - Soldiers, Sailors and Marines' Fund	0	-33,468	0	-14,393	0	0	0	0

Achieve Other Expenses General Savings

-(Governor) Funding of \$4,801 is reduced in FY 10 and FY 11 to reflect a general savings due to streamlining of business operations in this agency. Savings are anticipated across various state agencies to result from a reduction in operating costs (examples include: cellular communications services, in-state travel, mileage reimbursement, food/beverage, motor vehicle rental and fuel).

-(Legislative) Same as Governor.

Other Expenses	0	-4,801	0	-4,801	0	0	0	0
Total - Soldiers, Sailors and Marines' Fund	0	-4,801	0	-4,801	0	0	0	0

Reduce Administrative Costs

A Soldiers, Sailors and Marines' Trust of approximately \$60.8 million is administered by the Treasurer. Since FY 02, the expenditures of the agency have exceeded the interest on the Trust, the estimated proceeds of which constitute the annual agency appropriation. This has resulted in a cumulative General Fund negative balance of approximately \$3.8 million as of June 2009.

-(Governor) A reduction in administrative costs of 25% is provided, resulting in a reduction of \$593,619 in FY 10 and \$612,683 in FY 11, including the elimination of eight full-time positions.

370 - Soldiers, Sailors and Marines' Fund

Human Services

	Legislative FY 10		Legislative FY 11		Diff. from Governor Rec FY 10		Diff. from Governor Rec FY 11	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
-(Legislative) A reduction in administrative costs is provided, resulting in a reduction of \$254,939 in FY 10 and FY 11, including the elimination of three full-time positions.								
Personal Services	-3	-161,354	-3	-161,354	5	209,739	5	212,091
Fringe Benefits	0	-93,585	0	-93,585	0	128,941	0	145,653
Total - Soldiers, Sailors and Marines' Fund	-3	-254,939	-3	-254,939	5	338,680	5	357,744
Budget Totals - SF	9	2,978,468	9	2,997,543	5	338,680	5	357,744

[1] In order to achieve an aggregate FY 10 budgeted lapse, the Office of Policy and Management has programmed allotment reductions for agencies that comprise the various lapses in Section 1 of PA 09-3 JSS. A detailed list of holdbacks by agency is included in the Financial Schedules section of the book.