MEMORANDUM

To: The Hon. M. Jodi Rell, Governor
The Hon. Donald E. Williams, Jr., Senate President Pro Tempore
The Hon. James A. Amann, Speaker of the House
The Hon. Martin M. Looney, Senate Majority Leader
The Hon. John M. McKinney, Senate Minority Leader
The Hon. Christopher G. Donovan, House Majority Leader
The Hon. Lawrence F. Cafero, Jr., House Minority Leader
The Hon. Toni Nathanial Harp, Senate Chair, Appropriations Committee
The Hon. Denise W. Merrill, House Chair, Appropriations
The Hon. David J. Cappiello, Senate Ranking Member, Appropriations
The Hon. Kevin M. DelGobbo, House Ranking Member, Appropriations
The Hon. Jonathan A. Harris, Senate Chair, Human Services
The Hon. Peter F. Villano, House Chair, Human Services
The Hon. John A. Kissell, Senate Ranking Member, Human Services
The Hon. Lile R. Gibbons, House Ranking Member, Human Services
The Hon. Paul R. Doyle, Senate Chair, Select Committee on Aging
The Hon. Joseph C. Serra, House Chair, Select Committee on Aging
The Hon. Sam S.F. Caligiuri, Senate Ranking Member, Select Cmte on Aging
The Hon. Al Adinolfi, House Ranking Member, Select Committee on Aging
The Hon. Robert C. Genuario, Secretary, Office of Policy and Management

From: Michael P. Starkowski, Commissioner

Date: March 18, 2008

Subj: Transmittal of Southern Connecticut State University study regarding re-establishment of a Department on Aging, in accordance with PA 05-280

Attached please find the report by Southern Connecticut State University’s Louis and Joan M. Sirico Center for Elders and Families, funded by the General Assembly in Public Act 07-01 to obtain “a recommendation as to the functions and responsibilities of the new Department on Aging, its organizational structure, the recommended number of staff, the type of staff, the programs that should be included, and the projected costs associated with such a department.” (MOA #93SCS-ELD-01)

The report’s executive summary describes preference for phased-in ‘gatekeeper’ approach, which would centralize control of all programs dealing with seniors, even if this means dividing Medicaid and Medicare according to age criteria.” The other agency
approaches under consideration are defined as 'coordinator,' 'local networker' and 'expert advocate.' [Summaries of these models on pages 2-3 of attached report and in addendum at end of this transmittal memo.]

In direct contrast to 2007 conclusions by the University of Connecticut Health Center’s Center on Aging, the new report’s preference for a ‘gatekeeper’ approach presents significant program and cost implications for policymakers. [More on conclusions by the UConn Center on Aging on page 4 of this transmittal memo.]

According to the consultant, the first step of a phased-in ‘gatekeeper’ approach would be creation of an independent Department on Aging with a cabinet-level position of Commissioner, reporting to the Governor. The programs recommended to be included in the first phase include the Long-Term Care Ombudsman Program, all Older Americans Act programs and the Connecticut Home Care Program for Elders. In the second phase, the Protective Services for the Elderly Program would be added, as well as increased communication and strategic planning with the Commission on Aging. The third phase would expand responsibilities to include the potential transfer of other major programs affecting elders, ConnPACE. These phases are summarized on page 3 of the report.

Total funding for a new department envisioned in the SCSU Sirico Center for Elders and Families report appears to be about $239.5 million, the bulk being programs and the following for new (non-transferred-in) positions: $128,000 for Commissioner, $57,000 for Administrative Assistant, $70,000 for Legislative Liaison PR Comm Mgr, $64,000 for IT Infrastructure Specialist, $64,000 for Human Services/Payroll Specialist, $56,000 for Accountant, $64,000 for Grants and Contracts Manager; and $681,000 for fringe benefits, $57,000+ for Commissioner Search Costs, $150,000 for Staff Relocation Costs and $200,000 for IT. Total additional cost is put at $2,251,298, of an agency total of $239,482,624.

**From Department of Social Services: Initial implications for consideration**

1. The ‘gatekeeper’ model is the most elaborate and extensive of the models under consideration.

2. The ‘gatekeeper’ model would reverse much of the comprehensive Human Services Integration for program and budget efficiencies adopted by the General Assembly after the report by the Commission to Effect Government Reorganization (Hull-Harper Commission), effective July 1993. At that time, the former Departments of Income Maintenance, Aging and Human Resources merged into the Department of Social Services.

3. To effect a ‘gatekeeper’ departmental model, the report recommends uprooting several complex multi-client direct-service programs from the Department of
Social Services and sending them to a new Department on Aging. Examples: Connecticut Home Care Program for Elders (a Medicaid-affiliated program); programs for elders funded under the Older Americans Act; Protective Services for the Elderly (social workers investigating abuse/neglect/exploitation); and, potentially, ConnPACE and long-term care services (presumably, Medicaid). In addition, the independent State Long-Term Care Ombudsman Program (attached to DSS for administrative purposes only) would move to the new department.

4. **Advocating the transplantation** of several extremely complicated yet successful direct-service programs from DSS into a new agency could be a prescription for confusion and disorganization over the coming years. Whether this is in the best interests of Connecticut’s elders and their families/advocates is an open question.

   - The Connecticut Home Care Program for Elders, with its Medicaid eligibility processes, is enough to give pause in itself. Federal law requires eligibility determination be made by staff in the Medicaid agency. DSS cannot delegate Medicaid eligibility responsibilities to any other entity. With regard to the state-funded portion of the Home Care program, eligibility determination is made by the same DSS eligibility staff using the same eligibility system. DSS also has an intricate information system for purposes of obtaining federal revenue for Medicaid programs through an approved federal claiming process.

   - With regard to the clients receiving services, it begs the question whether elders and their families would now have to deal with two agencies – Aging and DSS (the Medicaid agency). The notion of pulling Medicaid programs or state-funded programs such as the Connecticut Home Care Program for Elders away from the agency that is required to establish the financial eligibility process jeopardizes the goal of enhanced customer service.

5. **To carve out** ConnPACE services for the elderly would require information systems change and administrative changes to a program that is intertwined with other medical assistance systems, a task that would be costly and wasteful. In addition, DSS has complex information systems in place for the coordination of benefits with Medicare Part D, obtaining pharmaceutical manufacturer rebates and supplemental rebates, and information systems that assist in determination of Medicaid spenddown for ConnPACE clients.

6. **The consultant report has a vision for a Department on Aging that is far more than the strong advocacy**, information/referral, think tank, planning and troubleshooting roles that some may have wanted for a new agency. The consultant’s vision is about transplanting administering complex direct-service programs. The report seems to ignore the sheer challenges involved in moving federal/state medical assistance programs and state social work programs and underestimates the value of a unified eligibility system and federal claiming system.

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In summary, the task of considering a new Department of Aging presents a variety of significant implications for policymakers to weigh. It should be acknowledged that SCSU’s Sirico Center was given a difficult assignment about a controversial subject. However, there are profound concerns about and drawbacks to the consultant’s far-reaching recommendation for a ‘gatekeeper’ approach to create a major operational agency. If the recommendation for a ‘gatekeeper’ approach is supported, additional and more in-depth review will be required because of the model’s direction to uproot direct-service Medicaid and social work programs from an environment where they work for people, tap economies of scale, and offer community presence through 12 DSS field offices, and coordinate with similar programs.

In its 2007 Long-Term Care Needs Assessment, developed for the Connecticut Commission on Aging, the UConn Health Center’s Center on Aging states the following in support of improved access to long-term care information and services, and increased coordination among state agencies:

- “The proposal to establish a cabinet-level Department on Aging has generated concerns regarding further splitting of responsibilities and lack of coordination between Medicaid waivers and Older Americans Act (OAA) programs. Separating OAA money from other Medicaid programs in a cabinet-level Department on Aging is likely to make the system more complex and confusing and thus be counter-productive for older people. Generally, the interests of older people are not served well when they are isolated from other groups and from the primary funding source, Medicaid.” (page 30, Executive Summary, Long-Term Care Needs Assessment, June 2007; www.cga.ct.gov/coalneedsassessment.asp).

The UConn Center on Aging also stated the following in support of greater integration of functions at the state level, and consideration of alternative configurations of state government structure in order to best meet Connecticut residents’ long-term care needs:

- Establish a consolidated, efficient all-ages human services approach to long-term care in Connecticut that maximizes the impact of Medicaid dollars and Older Americans Act funds rather than dividing them. Reconsider the establishment of a separate cabinet-level State Department on Aging...Study recent trends in states with successful long-term care and other programs that serve all age and disability groups. As appropriate, individual departments could function with some level of autonomy under one umbrella agency in order to maximize expertise about specific conditions.” (page 33, Executive Summary, Long-Term Care Needs Assessment, June 2007; www.cga.ct.gov/coalneedsassessment.asp).

If anything, a new Department of Aging may be most beneficial to clients and most feasible administratively in the ‘expert advocate’ model. The SCSU consultant notes, for example, that the ‘expert advocate’ model “minimizes the duplication of services with other programs providing similar services to younger individuals and families” (page 3 of
attached report and addendum portion at end this memo). In other words, there would be duplication of services with other programs if the gatekeeper approach is given traction. In this vein, the Department of Social Services would favor re-establishment of a sole-purpose Division of Aging Services as an operational entity within DSS in close coordination with the Commission on Aging and, if implemented, a new Department on Aging that assumes the administrative roles as explained in the expert advocate model.

If you would like further information at this point, please feel free to contact me at 860-424-5053 or Michael.starkowski@ct.gov. If necessary, we can arrange a meeting with interested legislators and the consultants who prepared the report. Thank you and best regards.

c: Julia Evans Starr, Executive Director, Commission on Aging
   Nancy B. Shaffer, State Long-Term Care Ombudsman
   Claudette J. Beaulieu, DSS Deputy Commissioner, Programs
   Amalia Vasquez Bzdyra, DSS Deputy Commissioner, Administration
   Pamela Giannini, DSS Director, Aging, Community & Social Work Services
   David Parrella, DSS Director, Medical Care Administration
   Lee Voghel, DSS Director, Financial Management & Analysis
Addendum: the four approaches cited by the Southern Connecticut State University's Louis and Joan M. Sirico Center for Elders and Families in considering a new Department on Aging

From the SCSU Sirico Center report (pages 2-3 of electronic report version):

“In an examination of Departments on Aging across the United States, the team identified four different paradigms that had been successfully implemented, and championed by various stakeholders within Connecticut.

“1. Coordinator – The Coordinator paradigm is currently used to provide elder care in Connecticut and enjoys considerable support within the state departments (Social Services, Health, etc.). These respondents favor strengthening the current Bureau of Aging, but maintaining an environment of decentralized governance. Elder services shares authority with larger units, such as the Department of Health or the DSS, and with a number of agencies, bureaus and programs. This coordination structure incorporates Connecticut’s Bureau of Aging, a number of DSS programs, a well as an independent Commission on Aging (COA) in charge of legislative advocacy.

“2. Local Networker – The Local Networker paradigm transfers many administrative powers and responsibilities to area agencies and authorities. Connecticut’s local Area Agencies on Aging consistently request this type of decentralization. From this community services perspective, those closest to the delivery of services are most informed concerning current needs and administrative requirements.

“3. Gatekeeper -- Gatekeeper departments, in their pure form, centralize control of all programs dealing with seniors, even if this means dividing Medicaid and Medicare according to age criteria. Embraced by many states and championed by many Connecticut legislators, gatekeepers are designed to be independent power holders typically directing programs with large budgets, certification, and approval and enforcement powers. Such powers give these departments ‘bureaucratic teeth’ that command respect and direct action from local agencies and providers. Thus gatekeeper departments can champion the needs of seniors in resource allocation battles with other state programs.

“4. Expert Advocate – Expert advocate departments preserve their independence and centralization, but are limited in significant administrative responsibilities. Many respondents in Connecticut’s DSS and DPH favor a stronger CDA, as long as the new department does not affect certain critical programs. These departments for the elderly are independent and report directly to the governor, but do not shoulder many resource allocation, enforcement or certification responsibilities. This minimizes the duplication of services with other programs providing similar services to younger individuals and families.”