



STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

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Commissioner

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December 5, 2013

Benjamin Barnes, Secretary
Office of Policy and Management
450 Capitol Avenue
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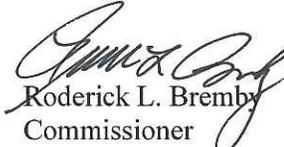
Dear Secretary Barnes:

In accordance with your September 16th memo, I am forwarding to you our option proposals for the SFY2015 Technical Budget.

We have carefully reviewed our current programs and activities to identify areas of potential savings. The attached documents provide more detail on what the Department is proposing. We have also included one revenue and four reallocation options.

Thank you for your consideration of these proposals. I would appreciate the opportunity to discuss them with you at your convenience.

Sincerely,


Roderick L. Bremby
Commissioner

Cc: Raymond Singleton, Deputy Commissioner
Kathleen Brennan, Deputy Commissioner
Astread Ferron-Poole, Chief of Staff
Paul Potamianos, OPM
Judy Dowd, OPM
Sue Eccleston, OPM
Alan Calandro, OFA
Neil Ayers, OFA
Diane Benedetto, Director
Michael Gilbert
Kevin Carey
Mari Spallone

2015 MIDTERM ADJUSTMENT SUMMARY

DSS60000 - Department of Social Services
11000 - General Fund

Priority	Adjustment Title	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
REDUCTION					
0.00	Adjust \$10 m "Pass Through" to FQHC's	2,289,569,579	-2,000,000	2,287,569,579	0
0.00	Community First Choice	2,289,569,579	-3,500,000	2,286,069,579	0
0.00	Reduce Funding for St. Mary's Hospital in Community Services	1,075,199	-100,000	975,199	0
0.00	Review Key Operational Expenditure Areas for Efficiencies	113,078,216	-500,000	112,578,216	0
REALLOCATION					
0.00	Adjust Dental Fee Schedules	2,289,569,579	0	2,289,569,579	0
0.00	Move SSBG/TANF Transfer Funds to the General Fund	0	0	0	0
0.00	Transfer After School Earmark Funding	563,286	0	563,286	0
0.00	Transfer Before and After School Funding	563,286	0	563,286	0
REVENUE					
0.00	Restoration of Child Support Program Administrative Structure	0	769,480	769,480	0
	ADJUSTMENT TOTAL	6,983,988,724	-5,330,520	6,978,658,204	0

Head of Budgeted Agency (Signature)


Rodenck Bremby, Commissioner

12/5/2013
~~October 07, 2013~~
Date submitted

Midterm Adjustments to the FY 2015 Budget - Reduction Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Adjust \$10 m "Pass Through" to FQHC's

Michael Gilbert
860-424-5841

Priority: 0
Creation Date: 12/02/2013

Description and Reason/Measure of Impact

In the budget for SFY 2014 and 2015, a \$10 million pass through to FQHC's was provided. This may not be the optimum manner for adding direct and measurable impact upon client services. An alternative reimbursement mechanism may foster better program outcomes for the funds being spent. A reduction in funding from the \$10 million level (\$5 million State share) in conjunction with a programmatic realignment with the medical home model may be possible.

Financials

Account	2013 Actual	2014 Estimated	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
16020 - Medicaid	0	2,409,314,923	2,289,569,579	-2,000,000	2,287,569,579	0
Total	0	2,409,314,923	2,289,569,579	-2,000,000	2,287,569,579	0

Midterm Adjustments to the FY 2015 Budget - Reduction Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Community First Choice

Dawn Lambert
860-424-4897

Priority: 0
Creation Date: 12/02/2013

Description and Reason/Measure of Impact

Community First Choice (CFC) is a benefit authorized under the Affordable Care Act that offers states 6% additional FMAP on PCA services if the benefit design meets the CFC criteria. CFC is a state plan option, limited to existing categorical eligibility groups who meet institutional level of care. These persons already have access to home health services in Connecticut or to 1915C (i) services, or to both. CFC is not just limited to a match on Personal Care Assistance but also on other services that are related such as companion services, homemaker services, etc. While the benefit cannot be capped, the risks associated with implementation are largely controlled by the fact that persons served must be enrolled in a waiver (slot must be available) in order to maintain eligibility under the special income group (300% SSI). While persons at institutional level of care who are not enrolled in a waiver would have access, they would have to meet the categorical income level for Husky C or medically needy criteria. These people already have access to the home health benefit so offering a less expensive alternative offers additional budget savings with no risk. With a proposed implementation date of January 2015, the additional FMAP will offset State costs under net funding, resulting in a savings to the State in SFY 2015.

Financials

Account	2013 Actual	2014 Estimated	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
16020 - Medicaid	0	2,409,314,923	2,289,569,579	-3,500,000	2,286,069,579	0
Total	0	2,409,314,923	2,289,569,579	-3,500,000	2,286,069,579	0

Midterm Adjustments to the FY 2015 Budget - Reduction Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Reduce Funding for St. Mary's Hospital in Community Services

Michael Gilbert

860-424-5841

Priority: 0

Creation Date: 12/02/2013

Description and Reason/Measure of Impact

In the SFY 2014-2015 budget, \$100,000 was provided for St. Mary's Hospital in the Community Services (SID 16160) account. This funding is duplicated in the Medicaid account and is not needed. This proposal would eliminate the funding.

Financials

Account	2013 Actual	2014 Estimated	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
16160 - Community Services	0	1,075,199	1,075,199	-100,000	975,199	0
Total	0	1,075,199	1,075,199	-100,000	975,199	0

Midterm Adjustments to the FY 2015 Budget - Reduction Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Review Key Operational Expenditure Areas for Efficiency:

Michael Gilbert
860-424-5841

Priority: 0
Creation Date: 12/02/2013

Description and Reason/Measure of Impact

The Department will undergo a systematic review of significant operational expenditure areas to seek additional opportunities for efficiencies and savings. This will include a review of fleet usage in lieu of mileage based and rental car access. Other areas will include a comprehensive review of utility usage and billing rates, leases and other facility costs, and other purchasing methods and contracts.

Financials

Account	2013 Actual	2014 Estimated	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
10020 - Other Expenses	0	121,398,741	113,078,216	-500,000	112,578,216	0
Total	0	121,398,741	113,078,216	-500,000	112,578,216	0

Midterm Adjustments to the FY 2015 Budget - Reallocation Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Adjust Dental Fee Schedules

Donna Balaski
860-424-5342

Priority: 0
Creation Date: 12/02/2013

Description and Reason/Measure of Impact

There are a number of procedure codes on the dental fee schedule that may be subject to overuse by the dental providers currently. This proposal aims to reduce the unnecessary expenditures by adding prior authorization to three endodontic codes and a post procedure review of specialty specific provider codes. Savings will be applied to fee increases for codes that have not had an increase since 1993 (not included in the lawsuit settlement).

Financials

Account	2013 Actual	2014 Estimated	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
16020 - Medicaid	0	2,409,314,923	2,289,569,579	0	2,289,569,579	0
Total	0	2,409,314,923	2,289,569,579	0	2,289,569,579	0

Midterm Adjustments to the FY 2015 Budget - Reallocation Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Move SSBG/TANF Transfer Funds to the General Fund

Michael Gilbert
860-424-5841

Priority: 0
Creation Date: 12/02/2013

Description and Reason/Measure of Impact

Currently 10% of the State's total TANF grant is transferred to the Social Services Block Grant. This SSBG/TANF transfer comes with federal restrictions, reporting requirements, and interagency transfers that are administratively burdensome and subject to audit scrutiny and past findings. The Department is seeking a cost neutral change to significantly simplify administrative activities related to these services, requesting a change so that all SSBG/TANF services are funded fully with State General Funds. The Department would end its current practice of transferring funds to the SSBG/TANF funding source. The formerly transferred funds would revert back to normal TANF revenue.

Financials

NO Financials	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0

Midterm Adjustments to the FY 2015 Budget - Reallocation Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Transfer After School Earmark Funding

Peter Palermo

860-424-5006

Priority: 0

Creation Date: 12/02/2013

Description and Reason/Measure of Impact

DSS currently contracts with 5 community organizations as directed by legislative budget to offer after school activities for adolescents. These earmarks do not support the mission and priorities of DSS.

The Department recommends the transfer of these funds to State Department of Education, which currently administers other after school programs and is lead agency for after school programs.

Financials

Account	2013 Actual	2014 Estimated	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
16158 - Child Care Quality Enhancem	0	563,286	563,286	0	563,286	0
Total	0	563,286	563,286	0	563,286	0

Midterm Adjustments to the FY 2015 Budget - Reallocation Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Transfer Before and After School Funding

Peter Palermino
860-424-5006

Priority: 0
Creation Date: 12/02/2013

Description and Reason/Measure of Impact

DSS currently contracts with 7 community organizations. The State Department of Education (SDE) is the lead agency for before/after school services, and thus, is the more appropriate agency to manage these funds.

This option would transfer the funds in SID 16158 to the SDE, which currently administers other before/after school programs.

Financials

Account	2013 Actual	2014 Estimated	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
16158 - Child Care Quality Enhancem	0	563,286	563,286	0	563,286	0
Total	0	563,286	563,286	0	563,286	0

Midterm Adjustments to the FY 2015 Budget - Revenue Adjustment

DSS60000 - Department of Social Services 11000 - General Fund

Restoration of Child Support Program Administrative Structure

Michael Gilbert
860-424-5841

Priority: 0
Creation Date: 12/05/2013

Description and Reason/Measure of Impact

This proposal restores 5 key positions to BCSE administration. By doing so, BCSE administration will provide ultimate programmatic decision-making regarding compliance with federal performance measures, training, corrective action planning/implementation, and staffing. In addition, the centralization of child support program control may provide an opportunity to reallocate a portion of field management time to IV-A responsibilities. The restoration of a BCSE administrative structure will provide programmatic authority over BCSE field staff, and a quality assurance unit to monitor statewide program performance and outcomes of corrective action. The cost of adding the staff is approximately \$678,000 with federal reimbursement at 66%, for a net cost of \$200,000. Additional revenues of \$1.4 million are expected to result from the staffing enhancements.

Revenue

	2013 Actual	2014 Estimated	2015 Base	2015 OPM Adjustment	2015 Revised	2016 Adjustment - Annualized
45220 - Administration- Child Supp	0	0	0	1,447,480	1,447,480	0
Total Gross Revenue				1,447,480	1,447,480	

Financials

Account	2013 Actual	2014 Estimated	2015 Base	2015 Adjustment	2015 Revised	2016 Adjustment - Annualized
10010 - Personal Services	0	0	0	678,000	678,000	0
Total	0	0	0	678,000	678,000	0
Total Net Revenue	0	0	0	769,480	769,480	0