



June 16, 2009

To: CCPA Members

From: Alyssa Goduti, Vice President for Public Policy and Terry Edelstein, President/
CEO

Re: **CCPA Policy Updates: Plus DDS Transmittal and CCPA Response
Postponing Rate Transition**

1. **Action Steps and Talking Points**
2. **Special Session 6/19**
3. **CCPA Communication w/ OPM on Cash Flow and the Governor's
Proposed Budget Cuts**
4. **Update on Re-Procurement Discussions**
5. **Associated Press Coverage 6/13/09**
6. **Healthcare Reform Update**
7. **State Agency Retirements**
8. **Stimulus Money via BRS and BESB**
9. **Retroactive BHP Rates**
10. **CCPA Continues to Advocate for a DDS Pilot Study**
11. **DCF and DMHAS Prepare for Potential Funding Lags**
12. **Keeping Things in Perspective**
13. **NEW – DDS Bulletin on July 1, 2009 Transition Date and CCPA
Response**

Action Steps – Please Email Your Legislators – CCPA Talking Points

Use these talking points to SEND A FEW SIMPLE EMAILS, contacting the key policy makers who will have the most significant impact on the final state budget. Please make sure to send similar messages to members of your local delegation. Use CCPA's Contact Your Legislator Feature to send these emails - <http://www.ccpa-inc.org/legislativesearch.aspx> or use the email addresses below.

Governor Jodi Rell - Governor.Rell@ct.gov

Speaker of the House Chris Donovan - Christopher.Donovan@cga.ct.gov

Senate President Don Williams - Williams@senatedems.ct.gov

Tell Them (or their Aides):

Connecticut community providers serve more than 500,000 of the state's most vulnerable residents. Our work helps people with disabilities and other significant needs including

children and adults with mental illness, substance use disorders, developmental and physical disabilities.

- 1) Three straight years of flat funding - at time when our costs and demand for human services are going up means a virtual cut.
- 2) There needs to be an emergency funding stream in case there is no budget agreement. Community providers can't meet payroll without state support.
- 3) We need to work toward a long term solution to our funding crisis. Please support *the Establishment of a Community-Based Services Commission (formerly HB 6609)* This bill passed the House unanimously on the last night of the session, but unfortunately was not heard in the Senate by the midnight deadline.
- 4) The state should not implement major system changes in the DDS, DMHAS and DCF systems without the proper infrastructure in place to manage those changes.
- 5) The state needs to use the community provider system to reduce state healthcare costs.

Community providers are reducing services now and will make further cuts if the 0% budget proposal remains. Our clients – your constituents – are at risk. We cannot provide expected levels of care if the system is constantly fighting for survival.

SPECIAL NOTE FOR DDS PROVIDER AGENCIES – If you are a DDS provider please emphasize this additional point.

- Please delay major changes to the DDS provider reimbursement system to allow for a thorough piloting and oversight through the involvement of a committee of key stakeholders including consumers, families, providers and legislators. Please follow this link to an amendment that describes the pilot proposal <http://www.cga.ct.gov/2009/lcoamd/pdf/2009LCO09411-R00-AMD.pdf>

Special Session This Week

There will be a special session Friday, June 19th and possibly Saturday, June 20th to deal with federal funding related to the American Recovery and Reinvestment Act (ARRA) and federal funding related to the Workforce Investment and Summer Youth Employment. When asked about progress on the budget at a press conference yesterday, Speaker of the House Donovan said that leaders, including the co-chairs of Appropriations and Finance, were meeting with the Governor's office to work on the budget. He said he was hopeful that they would come to a resolution soon, but didn't commit to having a budget ready for this week's special session. The latest talks have

focused on greater use of the sales tax, income tax increases and cut options to balance the budget.

Many of the state agencies have been making reference to the Governor's budget proposal issued at the end of May as if the cuts proposed in that budget have been approved by the full legislature. But this is not the case. The Governor's proposal to cut provider reimbursement by 1%, to cut Medicaid rates by 1% and to make other human services cuts including a 10% reduction in the DMHAS Employment Opportunities program are negotiating proposals. These budget recommendations have not gone into effect.

Communication with OPM

CCPA sent a letter (Click to [read](#)) to Secretary Genuario last week thanking him for assurances that community provider services are essential services and would be funded in the case of no budget by 7/1/09. On June 3rd we had a conversation with Secretary Genuario about that issue and the Governor's proposed funding cuts in her recent budget. We raised concerns about the implications of the Governor's proposed 1% reduction to private providers, proposed 1% reduction in Medicaid reimbursement and other proposed human service cuts. It is important to note that these are proposed budget cutting strategies from the Governor. Significant negotiation will have to occur before a final budget is approved.

Meeting Set with OPM on Re-procurement

We will be meeting with OPM Secretary Robert Genuario the week of June 22, as part of a small group of representatives from the Nonprofit Human Services Cabinet, to discuss re-procurement issues. SB 1120, the bill that would have halted re-procurement retroactive to July 1, 2008 died at the end of the session. The purpose of our meeting is to discuss remedies that might improve the system. CCPA has suggested an expanded appeal process and more public notification during any re-procurement period. We would also like to discuss the glitches and time delays in the DMHAS Employment Opportunities re-procurement process that serve as a difficult prototype on rebidding.

Associated Press Covers CCPA Story

The Associated Press ran an article June 13 highlighting the needs of the community provider system and our concerns over stability of the system without a budget by July 1st. Click here to read the article [Preparations being made with no budget in sight -](#)

Associated Press Thanks to Kim Beauregard, CEO, Intercommunity Inc. and Diane Manning, President and CEO, United Services, Inc. for their thoughtful comments.

Healthcare Reform

We continue to work with Speaker Donovan and Democratic leaders to encourage the Governor to sign the CT Healthcare Partnership and the Sustinet bills into law. We attended a press conference on Monday, June 15th, joined by Pam Fields, Executive Director, The Arc of Meriden-Wallingford, with Democratic leaders and Congressman Murphy to discuss the relationship between CT Healthcare reform efforts and national efforts.

Healthcare advocates and legislators are holding events across the state in support of these bills. You are welcome to participate in these events to show your support. Below is a list of upcoming events.

- Tuesday, June 16th at 5:30 on the North Haven Green – Organized by Representative Fontana
- Monday, June 22nd at 11:00 – Walking the Healthcare Partnership bill and the Sustinet bills from the Secretary of State’s office to the Governor’s office – Press Conference outside the Governor’s office

State Agency Retirement Announcements Continue

State employees have until June 30 to announce their retirement plans. As of today, DMHAS is projecting over 370 retirements.

DCF is projecting upwards of 170 retirements including four area directors and 1/3 of the licensing staff. Bureau Chief Lou Ando is retiring (with a party scheduled for July 16).

DSS/BRS retirements include Brenda Moore, Lauri DiGalbo, Lorene Castle, Barbara Gervais, Nancy Lesniaski, Joyce Brown-Walker & Al Sidlovsky, (with a party scheduled for June 30).

DSS retirees include David Parrella, Rose Ciarcia, Kevin Loveland, Donna Franks and Jim Wietrak.

DDS is anticipating over 350 retirements, including Beth McArthur, David Carlow, Mickey Verno and Andy Wagner.

DSS/BRS and BESB Announce Availability of Stimulus Money

Leslie Waite forwarded an announcement to DSS/BRS contractors on June 12: “As you may be aware, the Bureau of Rehabilitation Services (BRS) and the Board of Education Services for the Blind (BESB) have collectively been awarded \$2.8 million in additional funds over a two-year period under the American Recovery and Reinvestment Act (ARRA). The purpose of this letter is to describe BRS and BESB enhancements to funding of services provided by community rehabilitation programs (CRP) that are planned as a result of these additional funds.

“While the ARRA funds are only temporary, this is a unique opportunity to prove to lawmakers that with additional dollars, significantly more people with disabilities can be successfully placed in competitive employment, thus increasing the chances for increased levels of funding in the future for rehabilitation programming. In Connecticut, BRS and BESB will be allocating a significant percentage of ARRA funds to enhance community rehabilitation program services that directly lead to employment, as follows:”

Enhanced Rates for Existing Services: Placement Services, Working Interview Site Development, and On-the-Job Training Site Development

New Service – Interview Preparedness Program

For more information or a copy of the full announcement and informational packet, contact Leslie Waite at Leslie.Waite@po.state.ct.us

Retroactive Behavioral Health Partnership Rate Increases “in the mail”

Most services funded through the Behavioral Health Partnership were to have received retroactive rate increases of 1% in FY09. According to Mark Schaefer, “DSS is in the process of making advance payments to ensure that funds for these rate increases are expended before the end of the fiscal year.” Payments should be released in mid-June.

While DSS is making these retroactive payments, the agency is also assessing strategies for implementing the provision of the Governor’s proposed budget that reduces Medicaid rate increases by 1%. According to Dr. Schaefer, if this budget proposal is passed by the legislature, the net impact on BHP funding is “flat” for FY09.

CCPA Continues to Advocate for a Pilot of DDS Rate Restructuring Plans

CCPA continues to advocate for a pilot study of the DDS attendance-based reimbursement system. We will be meeting with key legislators again this week to discuss this issue. Please convey your appreciation to Senator Harris and Representative Ritter who have been advocating with DDS on this issue. [Click here to view their letter](#)

to Commissioner O'Meara www.ccpa-inc.org/documents/Harris%20Ritter%20DDS%20ltr.pdf

Special thanks as well to Representative Tom Reynolds who sent a similar letter to Commissioner O'Meara seeking a delay in implementation and raising some very helpful concerns about the proposed new system. [Read](#) his letter, dated May 27, 2009. Follow this link <http://www.cga.ct.gov/2009/lcoamd/2009LCO09411-R00-AMD.htm> to read our pilot proposal written as an amendment to HB 6609.

DCF and DMHAS Prepare for Potential Funding Lags

DCF and DMHAS have indicated a readiness to response quickly to provider cash flow issues if the state enters the new fiscal year without a budget.

DCF

At the CCPA Joint Planning Committee meeting with Commissioner Susan Hamilton and other DCF officials on June 9, the Commissioner affirmed that DCF would do its utmost to assist providers experiencing cash flow issues. Greg Messner, DCF CFO indicated that providers facing cash flow problems should notify him directly:

GREGORY.MESSNER@po.state.ct.us 860 - 550-6617

At a recent meeting of the Operations Workgroup, a three-association meeting with DCF, Judi Jordan, Director of Grants Development & Contracts indicated that providers needing assistance in securing lines of credit should contact her directly:

judi.jordan@po.state.ct.us (860) 550-6545

DCF will be issuing an official memo confirming details.

DMHAS

In a June 16 memo to private contractors, Stephen A. DiPietro, Chief of Fiscal Administrative Services indicated that:

“DMHAS is seeking to understand any cash flow problems anticipated by your agency. Toward that end, please notify your Human Service Contract Fiscal Monitor if you expect a cash flow problem and when after the usual payment date of July 15 you might experience that problem. This information will be helpful in planning for PNP payments should no state budget be in place by July 15. Please provide this information by Monday, June 22, 2009. Direct any questions you may have to Walt Sivigny at (860) 418-6919 or Walter.Sivigny@po.state.ct.us.”

Keeping Things in Perspective

One of our state association colleagues has reminded us that with all of our budget challenges, things could be worse.



DDS Delays July 1 Transition

CCPA would like to extend our appreciation to DDS for recognizing provider concerns. Thank you for your responsiveness and understanding. We hope to work with DDS to implement a pilot study of proposed changes to the DDS reimbursement system, which became an amendment on HB 6609 (Follow this link <http://www.cga.ct.gov/2009/lcoamd/2009LCO09411-R00-AMD.htm> to view the pilot language). This pilot would provide a great opportunity for additional input, review and oversight of the significant systems changes proposed.

Alyssa Goduti

To: *Private Provider Executive Directors
Executive Management Team
DDS ARDs for Private Administration
Trades Association*

FROM: *Kathryn du Pree, Deputy Commissioner*

DATE: *June 16, 2009*

RE: *July 1, 2009 Transition Date*

Over the past months, we have had an opportunity to attend several meetings with groups of providers and to meet individually with providers and other stakeholders. The rate system change has been a topic of concern in many of these discussions.

The Department of Developmental Services (DDS) is sensitive to the various concerns raised by the legislature, our providers and the Trades associations. Therefore, ***DDS is not planning to move ahead at this time with a July 1, 2009 start date for the transition.*** The Operations Center will be providing instructions to the regions in the next few days regarding contracting activities.

Alyssa Goduti

Vice President for Public Policy
Connecticut Community Providers Association
35 Cold Spring Road, Suite 522
Rocky Hill, CT 06067
(860) 257-7909 (phone)
(860) 257-7777 (fax)
agoduti@ccpa-inc.org

Terry Edelstein, President/CEO
Connecticut Community Providers Association (CCPA)
35 Cold Springs Road, Suite 522
Rocky Hill, CT 06067
(860) 257-7909
(860) 257-7777 (fax)
tedelstein@ccpa-inc.org
www.ccpa-inc.org