

Legislative History for Connecticut Act

SB 486

PA 82-395

House - ~~2442-2445~~, 6898-6900

Senate - 2340-2341, 2548

Appropriations - 1692-1693, 1800-1801

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CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1982

VOL. 25
PART 22
6888-7189

knj

House of Representatives Monday, May 3, 1982

ACTING SPEAKER GROppo:

The bill as amended passes. (Applause and cheers)

SPEAKER ABATE:

At this time, the Chair would like to extend the opportunity to preside over this Chamber to Rep. Van Norstrand. Rep. Van Norstrand. (Applause and cheers)

REP. STOLBERG: (93rd)

Mr. Speaker.

ACTING SPEAKER VAN NORSTRAND:

Rep. Stolberg.

REP. STOLBERG: (93rd)

Mr. Speaker, I move reconsideration of the budget document. (Laughter)

ACTING SPEAKER VAN NORSTRAND:

I would observe for the benefit of the members that if I am standing here, perhaps Rep. Moynihan should know, maybe the Messiah has come. (Laughter.)

Would the Clerk please return to the call of the Calendar.

CLERK:

Page 8, Calendar No. 642, Substitute for Senate Bill No. 486, AN ACT CONCERNING FEE SCHEDULES FOR HEALTH SERVICES. Favorable Report of the Committee on Appropriations.

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House of Representatives

Monday, May 3, 1982

REP. WRIGHT: (77th)

Mr. Speaker.

ACTING SPEAKER VAN NORSTRAND:

Rep. Wright.

REP. WRIGHT: (77th)

Mr. Speaker, I move for acceptance of the Joint Committee's Favorable Report and passage of the bill.

ACTING SPEAKER VAN NORSTRAND:

The motion is for passage of the bill.

REP. WRIGHT: (77th)

In concurrence with the Senate.

ACTING SPEAKER VAN NORSTRAND:

Will you remark, Rep. Wright.

REP. WRIGHT: (77th)

Mr. Speaker, this bill would eliminate the Office of Policy and Management from having authority to review and approve of any rate requests, rate increases suggested by the Department of Income Maintenance for providers under Medicaid since it is the responsibility of the Department of Income Maintenance to set those rates within the amount of appropriation.

It's absolutely unnecessary for OPM to be involved in this because they don't really do the work. I think this would speed up the process. It's unnecessary language

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now and I would urge support for the bill.

ACTING SPEAKER VAN NORSTRAND:

SPEAKER: Will you remark further on the bill?

All right, the machine will be opened and we'll be voting by roll.

Have all the members voted? Have all the members voted? The machine is open. Will machine will be locked and the Clerk will please take a tally.

Would the Clerk please read the tally.

CLERK:

Senate Bill No. 486.

Total number voting	132
Necessary for passage	67
Those voting yea	132
Those voting nay	0
Those absent and not voting	19

ACTING SPEAKER VAN NORSTRAND:

The bill passes. (Cheers and applause)

CLERK:

Calendar 643, Substitute for Senate Bill No. 262,
 AN ACT CONCERNING REGISTRATION FEES FOR ARCHITECTS.
 Favorable Report of the Committee on Finance, Revenue
 and Bonding.

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THE CHAIR:

Hearing no objection, so ordered.

THE CLERK:

Moving to page 7 of the Calendar, Calendar 411,
File 616, Substitute for Senate Bill ⁴⁸⁶ 586, AN ACT CONCERN-
ING FEE SCHEDULES FOR HEALTH SERVICES, with a Favorable
Report of the Committee on Appropriations.

THE CHAIR:

Senator Fahey.

SENATOR FAHEY:

Mr. President, I move acceptance of the Joint
Committee's Favorable Report and passage of the Bill.

THE CHAIR:

Will you remark?

SENATOR FAHEY:

Yes. This is a revision of the procedure for estab-
lishing a fee schedule for health services. There is no
fiscal impact and what it does is remove the Office of
Policy and Management from having to be involved with this.
It will be directly done by the Department of Income Main-
tenance and it should help the flow of paperwork and make

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the procedure more efficient. If there is no objection,
I would move it to the Consent Calendar.

THE CHAIR:

Hearing no objection, so ordered.

THE CLERK:

Moving to page 9 of the Calendar, page 9, the Clerk has quite a few Amendments on Calendar 426 which have not been distributed yet so we'll pass temporarily on that and move to Calendar 427. Calendar 427, File 641, Substitute for Senate Bill 576, AN ACT REQUIRING THE COMMISSIONER OF HUMAN RESOURCES TO STUDY PERSONNEL COSTS FOR DAY CARE AND INCREASES IN THE DAY CARE FEES, with a Favorable Report of the Committee on Appropriations.

THE CHAIR:

Senator Fahey.

SENATOR FAHEY:

Mr. President, I move acceptance of the Joint Committee's Favorable Report and passage of the Bill.

THE CHAIR:

Clerk please call the Amendment.

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SENATOR LABRIOLA:

The one Dr. Zinsser addressed himself to.

THE CHAIR:

Okay. We're going to do the Consent Calendar and then we'll do that Bill and then the Bill that Senator Serrani objected to. The issue before the chamber now is the Consent Calendar as the Clerk read it with the two exceptions; one removed by Senator Zinsser and one by Senator Serrani. The machine is open.

This is to remind the chamber that we're going to have two votes immediately after the conclusion of the Consent Calendar. Senator Morton. I believe everyone has voted that is here. The machine will be closed and locked.

		<u>SB 556, SB 423, SB 253, SB 262, SB 372, SB 486, SB 576,</u>
		<u>SB 22, SB 173, SB 109, SB 305, SB 1</u>
TOTAL VOTING	35	<u>SB 147, SB 516, SB 21, SB 116,</u>
YEAS	35	<u>SB 190, SB 240, SB 60, SB 250,</u>
		<u>SB 61, SB 212, SB 246, SB 330,</u>
		<u>SB 613, SB 474, SB 121, SB 404.</u>

The Consent Calendar is adopted. The Clerk will
call the first item that was removed at the request of
Senator Zinsser.

THE CLERK:

SB 57, SB 365

The first item to be called to be removed from

JOINT
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APPROPRIATIONS

March 11, 1982

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SEN. ROBERTSON: Thank you.

SEN. FAHEY: Does anybody else on the Committee have any questions for the Commissioner? If not, thank you. We will be in touch.

SEN. ROBERTSON: Thank you, sir.

SEN. FAHEY: Some of the other members of the Committee that have come in are Representative Innacell, Representative Shays, Representative Polinsky, Representative Emmons, Senator Knous. Steve Press and then Nick Motto.

STEVEN PRESS: Senator Fahey, Representative Wright, members of the Committee. My name is Steven Press and I'm Director of Medical Care Administration for the Department of Income Maintenance. I'm here today on behalf of the Department to testify in relation to two bills. Committee Bill 486, An Act Concerning Fee Schedules for Health Services. The language of which bill I would like to see revised. I would also testify in support of Raised Bill 5642, which is An Act Concerning the Fees Paid to Nursing Pools. In regard to the Committee Bill 486, this bill was submitted by OPM to remove that agency from part of the rate setting process in regard to non-institutional providers. The bill also adds a new section which requires the fees to be based "on the amount appropriated for payment to such services." While the Department does not object to having OPM remove the rate setting process, we do have problems with the section which raises the fee on amount appropriated.

We oppose that section of the bill on the following grounds. We believe the language is nebulous and while we believe the intent is to make clear that DIM should not increase these unless money has been appropriated for that purpose, we also believe that as written, the bill could be construed as requiring the Department to reduce fees should we have a deficiency.

In our opinion, this type of reduction could actually increase costs because the fees included in this bill are only for ambulatory costs. Non-provision of these services by the providers because of reduction in fees could drive recipients to more expensive hospital care and drive costs up in the program. We don't think that's

MR. PRESS: (continued)

the intent of the bill, but that's the way it reads. We do not, also we do not now appropriate specific amounts of money by type of provider in the Appropriation Act. The appropriations are for Medicaid in general or for increases to provider for non-institutional providers as a group and not for specific providers. Therefore, the current method of appropriations of monies for fee increases may not be sufficient to support fee increases under this bill.

Thirdly, the language would prevent the Department from making minor fee changes despite the lack of appropriations when the Department discovers is that its existing fees for a particular service deviate so far from the reasonable, that it results in an absence of providers willing to provide that service. Something like that happened in the past year with the delivery of babies when in particular areas of the state, providers refused to perform the service and the only alternative was to send recipients to hospitals to provide that same service at a higher fee.

We offer the following two suggestions. First, we suggest, deleting that last clause which I quoted before on the amount appropriated for payment for such services from the bill. Secondly, we would suggest a substitute language such as no fee increase for any provider or group which would result in additional state costs of more than 1% above that expended by that provider or group in the year previous shall be promulgated unless funds for such purpose have been appropriated.

Again, this is a suggested change and we would be happy to work cooperatively with those interested to develop alternative language. As I also indicated, I'm here to testify in support of bill 5642, An Act Concerning the Fees Paid to Nursing Pools. This bill is sponsored by the Department in response to the complaints of Connecticut nursing homes who feel trapped between the restraints that a nursing home reimbursement system and the high costs of nurses provided by the pool. The bill is in no way intended to cap or control nursing salaries, but is intended to control the markup that nursing pools charge the home over nursing salaries. We judge that markup to average 30% to 40%. We wish to insure that the portion of the pool's charges unrelated to direct services and over and

MR. BURNS: (continued)

fund buying dietary food. There are appliances, you know, prosthetic appliances that are bought for Veterans, arms, legs that are purchased. And what the Veterans are afraid of is that -- we brought this out many years ago with the Soliders, Sailors and Marine fund when they were trying to take that fund and still guarantee that we would keep the fund up. That was well intended and those legislators who were looking for money, but no one can guarantee that down the road five or ten years from now the make up of this legislature and when I mention the word anti-veteran I really mean that sincerely from the bottom of my heart.

Many years ago, I've been coming here for many years and there were many members of the various committees who were former military men and a lot of these laws were passed then in that era. And now we see an erosion of those men and that's it.

SEN. ROBERTSON: Mr. Burns, I would never wish to admit especially on this bill as long as I've taken the position I have of any incorrectness, but your last point is a very valid one and maybe should be discussed and I would again like to sit down and meet with you at some time.

MR. BURNS. Thank you.

REP. WRIGHT: Well, imagine that. Are there other questions? Thank you very much, Mr. Burns. Last but not least, Daniel Leone.

DANIEL LEONE: The last shall be first and the first shall be last. Dan Leone, executive director of the Connecticut Pharmaceutical Association. I'd just like to testify briefly on raised committee bill 486, An Act Concerning Fee Schedules for Health Services. This bill would do two things, it would transfer the complete authority to set fees for providers in the medicade program to the Commissioner of Income Maintenance from the Secretary of Policy -- from the Office of Policy and Management. It would also add language on the end of the section that says that the fee schedule shall be based on moderate and reasonable rates prevailing in the respective communities according to services rendered and the add-on

MR. LEONE: (continued)
language is and on the amount appropriated for payment
for such services.

We are opposed to this bill. We're not opposed to the Commissioner of Income Maintenance setting the fees, but we are opposed to this language on the end that says on the amount appropriated for payment for such services. Because to the best of my knowledge, amounts are not appropriated for specific parts of the Medicaid program. It is a broad appropriation covering the whole Medicaid program and the Commissioner uses that money for the various services as the bills come in. It's kind of -- unfortunately it's an open-ended account. It's based on use by the recipients and therefore, our money is not appropriated on a line by line basis and we're a little concerned as to the exact meaning of that phrase.

Further, there are federal regulations as far as pharmacy is concerned which dictate how the state must reimburse for the cost of drugs and for fees paid to pharmacists. Unfortunately, as I've testified many times, the State of Connecticut has never completely complied with those regulations. They're not paying pharmacists let alone the other providers what they should be receiving under the regulations and we really are concerned by this bill and what the specific intent is. Therefore, we would like to go on record as being opposed. Thank you.

REP. CREAN: Are there any questions. Thank you, Mr. Leone. Is there any other speakers? Thank you. Therefore, I declare this public hearing closed.