

PA 11-246

HB6515

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**JOINT
STANDING
COMMITTEE
HEARINGS**

**APPROPRIATIONS
PART 15
4676 – 5005**

2011

TESTIMONY PRESENTED TO THE APPROPRIATIONS COMMITTEE
March 31, 2011

Benjamin Barnes
Secretary
Office of Policy and Management

Thank you for the opportunity to comment on several of the bills before you today.

HB6595 HB6519
HB6518 HB6515
SB1126

S.B. No. 183 – AN ACT CREATING A SEPARATE NONLAPSING VACCINE AND ANTIBIOTIC PURCHASE ACCOUNT WITHIN THE GENERAL FUND.

OPM opposes movement of currently budgeted accounts to separate, off-budget accounts. Currently, the amounts budgeted in the DPH vaccine account are part of the General Fund and are therefore counted toward the constitutional and statutory spending cap. The vaccine account is supported by assessments on insurers, so there is a dollar-for-dollar revenue source for any proposed appropriation. However, under this proposal the revenue would be put into a separate non-lapsing account which would result in a significant revenue loss to the General Fund (\$9.0 million) while keeping the appropriation.

On occasions in the past, parties have proposed expanding the number and types of vaccines that would be paid for by the DPH immunizations account, arguing that the expansion would be paid for through larger assessments on insurers. Some proposed expansions, however, have not gone forward in whole or in part because of expenditure cap limitations. By moving the immunization account "off-budget" there would several potential consequences:

- a.) loss of budgetary oversight and control (whatever is on-budget is visible, subject to review and oversight, etc.);
- b.) increased costs to insurers as the number and types of vaccines supported by the fund expand due to the lack of a "braking mechanism" played by the spending cap; and
- c.) expansion of the number and types of vaccines supported by the account, which are now prioritized by DPH and the medical community to include those that give us the biggest health care "bang for the buck".

Lastly, this bill would have OPM making the actual expenditures from the new non-lapsing account even though DPH has the expertise, knowledge and resources for the actual distribution of the vaccines. DPH has a federal grant for distribution costs and is also receiving direct assistance from the federal government (actual vaccines), and should continue to play that role.

H.B. No. – 6520 AN ACT CONCERNING RESULTS-BASED ACCOUNTABILITY.

OPM opposes specifying in statute the programs that should be subject to Results Based Accountability (RBA).

- RBA is a registered trademark and is not appropriate for state statutes.
- The General Assembly has not provided agencies with any resources to comply with the reporting requirements imposed by RBA, so the RBA requirement amounts to an unfunded mandate on state agencies.

managed care to a self-insured system administered by an administrative services organization (ASO), and (2) summarize the results of the study in a report to the General Assembly by November 15, 2011.

This bill creates another layer of study, consulting and reporting that is superfluous and unnecessary. Last session, the legislature approved language that gave the department flexibility to move forward with an ASO arrangement. There is no need for further study. As provided for under current statute, the Governor has directed DSS to transition Medicaid to a self-insured ASO model by January 1, 2012. This restructuring will realize significant savings, which is included in Governor Malloy's budget. In total, when fully annualized in FY 2013, the conversion to an ASO is expected to save \$29.5 million under HUSKY and \$56.6 million under fee-for-service. These savings are based on a combination of: (1) a more cost-effective and efficient administrative structure than the existing structure under managed care; and (2) medical efficiencies as a result of moving from the current unmanaged fee-for-service environment for aged, blind and disabled clients both in the community and nursing homes, as well as low-income adults under LIA. DSS has begun to move forward with the implementation of an ASO model and expects to issue a Request for Proposals by March 31, 2011. Any delay in the procurement, planning and implementation of this initiative will delay improvements in quality and outcomes and defer the projected savings contained in the Governor's budget. DSS is actively engaging the General Assembly's Medicaid Care Management Oversight Council and its many subcommittees in the planning and roll out of the ASO, and will be seeking input from provider and client stakeholders. *Given the complexity of the tasks ahead and the tight timeframe required to meet an implementation date of January 1, 2012, we oppose this bill as it will divert precious resources away from the important tasks that lie ahead.*

H.B. No. 6515 -- AN ACT CONCERNING JOB CREATION AND HABITAT RESTORATION

OPM opposes establishment of separate, non-lapsing accounts. Keeping funds "on budget," rather than in "off budget" accounts makes budget and financial transactions more transparent and accountable to the Executive and Legislative branches. Although there are instances when such an account may be required (i.e., for donations), OPM generally does not support establishment of these accounts.

S.B. No. 1126 -- AN ACT CONCERNING FEDERAL SANCTIONS

This bill would require state agencies to inform the General Assembly when federal sanctions are imposed or "likely to be imposed". Requiring reports from agencies where sanctions or fines have been imposed is a reasonable expectation, but we oppose requiring such reporting when sanctions or fines "are likely to be imposed." There may be administrative efforts and avenues that could be pursued to alter any proposed sanctions or fines prior to their imposition. For instance, there may be an appeal or review process by the federal government prior to imposing a sanction. It would be premature for an agency to report that a sanction is "likely" when there may be options to reduce, alter, or eliminate the sanction.

Further, a five-day timeframe for setting forth "the course of action the agency head proposes to mitigate or to eliminate" the sanction or fine is unworkable, as the issues are likely to be highly complex and involve significant policy and budgetary decisions that will require additional time. If this bill were to move forward, we would recommend elimination of the requirement to report on "likely" sanctions or fines in lieu of reporting only on those areas where a sanction or fine has actually been imposed. We would further recommend a more extended time period for reporting on proposed corrective action—at minimum thirty days and preferably 60-90 days.

Once again, thank you for the opportunity to comment and for consideration of our views on these bills. Please contact my office if you have any questions or concerns.

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GENERAL ASSEMBLY
HOUSE**

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June 6, 2011

House Bill 6612 as amended by House "A."

Total number voting	145
Necessary for passage	73
Those voting yea	145
Those voting nay	0
Those absent and not voting	6.

DEPUTY SPEAKER RYAN:

The Bill as amended is passed.

Will the Clerk please call LCO -- I'm sorry.

Will the Clerk please call Calendar Number 477.

THE CLERK:

On page 47, Calendar 477, House Bill Number
6515, AN ACT CONCERNING JOB CREATION AND HABITAT
RESTORATION, Favorable Report of the Committee on
Transportation.

DEPUTY SPEAKER RYAN:

Representative Mushinsky at the end of the House
from the 85th district.

REP. MUSHINSKY (85th):

Thank you, Mr. Speaker. Good afternoon.

DEPUTY SPEAKER RYAN:

Good afternoon.

REP. MUSHINSKY (85th):

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I move acceptance of the Joint Committee's
Favorable Report and passage of the bill.

DEPUTY SPEAKER RYAN:

The question is on acceptance of the Joint
Committee's Favorable Report and passage of the bill.
Representative Mushinsky, you have the floor.

REP. MUSHINSKY (85th):

Thank you, Mr. Speaker. This bill will allow
the Commissioner of Motor Vehicles to establish an
additional voluntary \$15 donation for any motor
vehicle with a Long Island Sound commemorative plate.

And \$5 of that may be dedicated to the
department for administrative purposes and \$10 will
be deposited into the Long Island Sound Account at
DEP for habitat restoration.

The Clerk has an amendment, LCO 8389. Could the
Clerk please call and may I be allowed to summarize?

DEPUTY SPEAKER RYAN:

Will the Clerk please call LCO 8389, which will
be designated House Amendment "A."

THE CLERK:

LCO Number 8389, House "A," offered by
Representatives Walker, Hoydick (inaudible).

DEPUTY SPEAKER RYAN:

The Representative seeks leave of the Chamber for summarization. Is there objection to summarization? Is there objection to summarization of the amendment? Hearing none, Representative Mushinsky, you may proceed with summarization.

REP. MUSHINSKY (85th):

Thank you, Mr., Speaker. This amendment replaces the bill with an expanded use of the habitat restoration matching sub account. The expanded use is in lines 101 to 104 to provide support to the lobster fisherman who are adversely impacted by any regulatory action deemed necessary to rebuild the lobster population in Long Island Sound.

I move adoption. And Mr. Speaker, I would like to yield to Representative Miner for further remarks.

DEPUTY SPEAKER RYAN:

The question before the Chamber is adoption of House Amendment Schedule "A." Will you remark on the amendment? Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. Mr. Speaker, the small change in the last, I think it's five or six items of this bill, lines of this bill, does deal with a very serious problem in Long Island Sound. The whole

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southern New England stock of New England lobsters is going through pretty serious problems in terms of its health and its ability to rebuild. The Atlantic States Marine Fisheries Commission of which I'm a member has been talking about many possible changes that might be recommended over the next year, four or five years to come.

And so members of the DEP, members of the shoreline community felt that it might be good to put a line item in here that would allow for the movement of funds, should there be some available, from both the federal levels and the state level. And I urge the Chamber's support. Thank you.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Representative Miller of the 122nd.

REP. MILLER (122nd):

Thank you, Mr. Speaker. I rise to support this legislation. The state of Connecticut is losing lots of fisherman for a decade or more. I'm not sure how many are left and somehow or another we've got to preserve that particular industry. And I think this is one of the ways that will help to keep these guys in business and keep lobstering a vital part of Long

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Island Sound. So I appreciate the time and urge support.

DEPUTY SPEAKER RYAN:

Remark further on the amendment before us? Representative Roy, Chairman of the Environment Committee.

REP. ROY (119th):

Thank you, Mr. Speaker. Mr. Speaker, I rise also in favor of the bill. This is something that we have been working on for a number of years. And this is another step forward to saving the lobster industry. And I ask the Chamber to approve it. Thank you.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on the amendment before us? Representative Urban of the 43rd.

REP. URBAN (43rd):

Thank you, Mr. Chairman, and being from the district where we have the last fishing fleet in the state of Connecticut and a bunch of wonderful lobster men also, I would rise in support of this. I'd like to thank Representative Mushinsky and Representative Chapin -- I mean, Miner, sorry, for bringing this to

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the attention of the Assembly. And I ask my
colleagues' support. Thank you.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on amendment before us?

Will you remark further on the amendment?

If not, I will try your minds. All those in
favor, please -- excuse me. All those in favor,
please signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER RYAN:

All those opposed, nay. The ayes have it. The
amendment is adopted. Will you remark further on
the bill as amended?

REP. MUSHINSKY (85th):

Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Mushinsky.

REP. MUSHINSKY (85th):

Thank you. Just to sum up, this bill will -- as
amended, will generate voluntary revenue for habitat
restoration and the lobster fishery, provide a match
for federal funds and will assist jobs, both creation

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and retention in Connecticut. I urge your support
for this measure.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

Will you remark further on the bill as amended?

Will you remark further on the bill as amended?

If not, will staff and guests please come to
the Well of the House. Will the Members please take
your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll
call. Members to the Chamber. The House is voting
by roll call. Members to the Chamber.

DEPUTY SPEAKER RYAN:

Have all members voted? Have all members voted?
Will the members please check the board to see if
their vote is properly cast? If all members have
voted, the machine will be locked and the Clerk will
take a tally.

The Clerk will please announce the tally.

THE CLERK:

House Bill 6515 as amended by House "A."

Total number voting 143

Necessary for passage 72

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Those voting yea	143
Those voting nay	0
Those absent and not voting	8.

DEPUTY SPEAKER RYAN:

The Bill as amended is passed.

Representative Olson of the Rose City, district
number 46.

REP. OLSON (46th):

Thank you, Mr. Speaker and good afternoon.

Mr. Speaker, I move for the immediate
transmittal of all items acted upon which require
further action in the Senate. Thank you, Mr.
Speaker.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

The motion is to immediately transmit all items
needing further action to the Senate. Is there
objection? Is there objection? Hearing none, so
ordered.

Representative Sharkey.

REP. SHARKEY (88th):

Good afternoon, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Good afternoon.

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SENATE**

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SENATE

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June 8, 2011

SENATOR LOONEY:

Thank you, Madam President.

Calendar page 21, Calendar 649, House Bill 6552;
move to place the item on the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Madam President.

Continuing Calendar page 22, Calendar 654, House
Bill 6515. Madam President, move to place the item on
the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Madam President.

Also Calendar page 22, Calendar 653, House Bill
6612; Madam President, move to place that item also on
the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Madam President.

(Chamber at ease.)

SENATOR LOONEY:

Madam President, if the Clerk might now call the items on the second Consent Calendar, so that we might proceed to a vote on that second Consent Calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Immediate roll call has been ordered in the Senate on the second Consent Calendar. Will all Senators please return to the Chamber. An immediate roll call has been ordered in the Senate on the second Consent Calendar. Will all Senators please return to the Chamber.

Madam President, the second -- the second Consent Calendar -- the second Consent Calendar begins on Senate Agenda Number 2, substitute for Senate Bill 18. Senate Agenda Number 3, House Bill 6215.

Calendar page 9, Calendar 473, House Bill 6514.

Calendar page 19, Calendar Number 639, House Bill 6554.

Calendar page 20, Calendar 641, substitute for House Bill 6591; Calendar 644, House Bill 5567.

Calendar page 21, Calendar 649, substitute for
House Bill 6552.

Calendar page 22, Calendar 653, substitute for
House Bill 6612; Calendar 654, House Bill 6515.

Madam President, I believe that completes that
items placed on Consent Calendar Number 2.

THE CHAIR:

Thank you.

Senator Looney.

SENATOR LOONEY:

Hmm.

A VOICE:

What's the matter?

SENATOR LOONEY:

Yes.

THE CHAIR:

(Inaudible.)

SENATOR LOONEY:

Thank you, Madam President.

If we might move to a vote on that second Consent
Calendar.

THE CHAIR:

Yes; thank you.

Mr. Clerk, will you call for another roll call vote?

And the machine will be open.

THE CLERK:

Senate is now voting by roll call on the second Consent Calendar. Will all Senators please return to the Chamber. The Senate is now voting by roll call on the second Consent Calendar. Will all Senators please return to the Chamber.

THE CHAIR:

All members have voted? If all members voted, the machine will be closed.

And, Mr. Clerk, will you call the tally, please?

THE CLERK:

The motion -- motion is on adoption of Consent Calendar Number 2.

Total number voting	36
Those voting Yea	36
Those voting Nay	0
Those absent and not voting	0

THE CHAIR:

Consent Calendar passed.

We'll stand at ease a moment.