

State of Connecticut

SENATOR LEONARD A. FASANO SENATE REPUBLICAN PRESIDENT PRO TEMPORE

34TH DISTRICT

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June 29, 2018

Governor Dannel P. Malloy Office of the Governor 210 Capitol Avenue Hartford, CT 06106

Dear Governor Malloy:

I am writing regarding the holdbacks identified by the Office of Policy Management and shared with the General Assembly yesterday. I was extremely disappointed to see a \$2 million reduction to elderly nutrition in the state budget, which would have a significant impact on the senior meals program. I urge your office to achieve this savings elsewhere in the budget and offer a suggested alternative below.

As you are aware, lawmakers included a small lapse of \$9.5 million in the FY 2019 state budget adjustments. I was surprised to see that 21% of his total holdback was taken from elderly nutrition, targeting some of the most vulnerable people in our state. Your office has greater control over agency expenditures and a greater ability in certain situations to determine where reductions and savings can be made without impacting services, therefore the purpose of lapses is to give you the ability to apply your internal agency knowledge to pinpoint achievable savings that will not harm services. That is why I was very surprised to see your administration target elderly nutrition for reductions. This is a direct service that helps feed thousands of seniors. It is an unnecessary cut that will unfairly target elderly individuals in need of the most basic and vital assistance.

While I understand that your office has argued that a \$2 million reduction to elderly nutrition in the budget is effectively flat funding the program, the reality is this program was in need of additional funding and the legislature specifically committed to this important service by purposefully increasing funding in the bipartisan budget for this service.

Instead of cutting from a direct service that impacts the daily lives of the most vulnerable, one way we can achieve this same level of savings is by reflecting savings in the Medicaid account as a result of Public Act 18-77 An Act Limiting Auto Refills of Prescription Drugs Covered Under the Medicaid Program. At the time of passage, the savings associated with this bill were indeterminate and therefore no savings were reflected even though savings will undoubtedly be achieved. A \$2 million savings represents only a 0.15% reduction in pharmacy expenditures which is an extremely reasonable base savings target as a result of this significant policy change that already passed the legislature. In addition, as you know, Medicaid has had surpluses in its account as a result of positive drug rebate trends which have outpaced increases in prescription drug costs. Medicaid per member per month costs have also remained stable. Therefore, all signs point to being able to achieve the needed savings in this account without having any impact on services.

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The legislature clearly committed more funding to elderly nutrition as a necessity for the thousands of seniors who rely on the program to access food every day. I implore your office to reconsider your reduction to senior meals and ask that you consider the alternative savings I have explained above.

Sincerely, Len Fasano

Senate Republican President Pro Tempore