

**Commission on Enhancing Agency Outcomes
Room 2200 Legislative Office Building
Hartford, CT 06106**

November 24, 2010

The Honorable Michael P. Starkowski,
Commissioner
Department of Social Services
25 Sigourney St.
Hartford, CT 06106

Dear Commissioner Starkowski:

The Commission on Enhancing Agency Outcomes met on Monday, November 22, 2010, and, as part of its agenda received your October 6, 2010 letter to leadership of the public health and human services committees along with the Prescription Drug Purchasing Program report (required by P.A. 09-206). The commission is scheduled to vote on the proposals in that report along with many others at its next meeting, on Monday November 29, 2010.

Also, the commission voted to request action of your department regarding two other commission proposals. The first concerns the drug recycling program. The commission would like written assurances that the department is fully implementing the drug recycling program, including full participation by Medicare Part D recipients, and Medicaid clients who are being cared for in residential settings other than nursing homes.

The second matter concerns the Department of Social Services applications for the TANF Emergency Contingency Fund, administered under the federal Department of Health and Human Services (DHHS). As you know, the state was eligible for approximately \$133 million in federal stimulus funds under this program. Information your department provided to CEAO showed that as of August, 2010, DSS had applied for funding in the three separate categories totaling \$56.3 million, far short of the \$133 million the state was eligible to receive. DSS indicated that program and eligible expense rules, as well as reporting requirements, limited the amounts for which the state could be approved. However, DHHS information indicates that many states, including three of Connecticut's neighboring states, have had applications approved for the full amounts for which they were eligible. The commission staff asked DSS, via e-mail, why this may have occurred, as one assumes the same eligibility rules would have applied in those states. Commission staff did not receive a response.

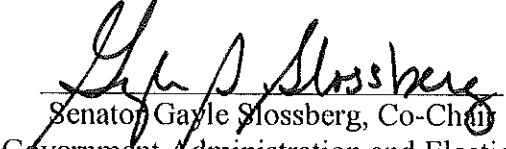
Given the amount of federal revenue "left on the table" (\$76.7 million), the commission is requesting the Department of Social Services seek an official interpretation from the federal Administration of Children and Families (ACF) of DHHS regarding whether the state may revise already-submitted applications to include additional programs and costs under the short-term recurring expense and the subsidized employment categories. If the state is allowed to amend its applications, the department should take immediate action to ensure the broadest interpretation

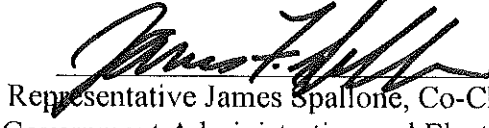
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of program and expense eligibility and auditing and reporting requirements are used to capture all the funds for which the state is eligible.

Please provide the commission with your department's response by December 6, 2010. Thank you for your attention to these matters.

Sincerely,


Senator Gayle Slossberg, Co-Chair
Government Administration and Elections
Committee Chair


Representative James Spallone, Co-Chair
Government Administration and Elections
Committee Chair

Cc: CEAO Members