April 3, 2020

To All Nursing Home Providers:

Under Section 17b-340(a) of the Connecticut General Statutes (CGS), the Department has the authority to reimburse nursing facilities for extraordinary and unanticipated costs necessary to avoid an immediate negative impact on the health and safety of residents.

In recognition of the current nationwide public health emergency, the Department of Social Services has implemented a temporary Medicaid rate increase effective for the period April 1, 2020 through June 30, 2020. The rate increase is being used to provide funds to nursing home providers rapidly and, for that reason, the Department will not issue individual rate letters. Related, this process will not be subject to the re-hearing process under C.G.S. § 17b-238 (b) and providers will have no need to file requests for rehearing or to file subsequent 90-day detailed items of aggrievement.

Specifically, all Medicaid nursing home rates have been increased by ten percent, over the current rate in effect, in recognition of the extraordinary costs related to the COVID-19 public health emergency. The additional reimbursement is to be applied towards:

- employee wages, including staff retention bonuses, overtime, and shift incentive payments;
- new costs related to screening of visitors, PPE, and cleaning and housekeeping supplies; and
- other COVID-related costs.

Current Department policies concerning unallowable costs and related-party reimbursement policies remain in effect.

Given the normal delay between service provision and billing, to facilitate more immediate relief for providers, the Department will advance one month of the estimated rate increase differential to each nursing facility immediately, with any overpayments to be recouped at a date to be determined in SFY 2021. This will not require individual requests for interim payment.

Related, the Departments of Public Health and Social Services are in discussion with a number of homes that may have willingness and capacity to be identified as COVID-only homes. Providers that are designated by the Department of Public Health to be COVID-19-only, and agree to serve this function, will in lieu of the above rate increase receive a COVID-specific rate of $600 for the care of COVID-19 positive residents.
Please see below Frequently Asked Questions (FAQ) on these actions. Please also see the attached list, by provider, of the revised rates effective April 1, 2020.

If the public health emergency continues beyond the June 30, 2020 rate increase period, the Department will consider extensions of the rate increases. Please contact Kate McEvoy, Director Division of Health Services, at kate.mcevoy@ct.gov with any questions on the above. Thank you.

Sincerely,

[Signature]

Deidre S. Gifford, MD, MPH
Commissioner

Frequently Asked Questions on DSS Nursing Home Rate Actions Related to COVID-19

Q. What is the State of Connecticut doing to help nursing homes with costs associated with COVID-19?

A. The Governor has approved a 10% across-the-board rate increase for all Connecticut nursing homes. This is intended to help homes with additional costs incurred as a result of COVID-19.

Q. When will nursing homes receive the rate increase? Are homes required to submit requests to the Department of Social Services?

A. The rate increase is effective from April 1, 2020 - June 30, 2020. Given the normal delay between service provision and billing, to facilitate more immediate relief for providers, the Department will advance one month of the estimated rate increase differential to each nursing facility immediately, with any overpayments to be recouped at a date to be determined in SFY 2021. This will not require individual requests for interim payment. This interim payment, which in total will amount to $11.6 m., will be received by nursing homes on Tuesday, April 7th, 2020.

Q. Will DSS accept and reimburse for expenses through specific requests from nursing homes?

A. Not at this time. The above rate increase is intended to address the costs that nursing homes are incurring.
Q: I have indicated that I am willing to operate a COVID-only nursing home during the period of the public health emergency. What other steps are involved?

A. These are the steps:

1. Homes that are interested in operating a COVID-only nursing home should contact Covid19.dph@ct.gov and include in the subject heading: ATTENTION, COVID 19 DEDICATED NURSING HOME.
2. After determining that the involved home meets DPH requirements, DPH will designate the home to DSS as a COVID-only home.
3. Kate McEvoy and the staff of the Reimbursement & CON Unit of the DSS Division of Health Services will reach out to the designated home and develop a written agreement for an enhanced per diem rate.

Q. How will DSS reimburse the COVID-only homes?

A.

- DSS will pay a $600 per diem for COVID-19 presumptive residents of 1) currently operating homes that are designated by DPH as COVID-only; and 2) re-opened entities that are designated by DPH as COVID-only.
- All other Department policies concerning unallowable costs and related-party reimbursement policies will remain in effect.
- If a currently operating home is approved by DPH to be transitioned to a COVID-only facility, during transition DSS will reimburse homes:
  - $600 per diem for COVID-presumptive residents; and
  - the home's regular rate plus 10% per diem for non COVID-presumptive residents
- DSS may also establish a time frame for transition of a home to COVID-19 only, and consider a threshold percentage of COVID-presumptive residents over which DSS will pay $600 per diem for all residents of the home.
- For purposes of re-opening a home approved by DPH to be a COVID-specific facility, DSS will:
  - negotiate for in-kind support of or reimbursement of start-up costs; and
  - reimburse the home $600 per diem for COVID-presumptive residents.
- Related to transition of currently operating homes that become COVID-only homes, at the end of the public health emergency, DSS will:
  - pay actual costs of deep cleaning and other restoration of the physical plant; and
  - pay a negotiated transition per diem rate for a limited period of time.
- Related to transition of reopened homes, DSS and DPH expect such homes to close following the end of the public health emergency.