



Ned Lamont  
Governor

# STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT  
AND  
DEPARTMENT OF SOCIAL SERVICES

Melissa McCaw, Secretary  
Office of Policy and Management

Deidre S. Gifford, MD, MPH  
Department of Social Services

April 13, 2021

To All Nursing Facility Providers:

Thank you for continuing to prioritize high quality support for Connecticut nursing facility residents as we mutually advance continued attention to infection control, testing and COVID-19 vaccinations. The industry has effectively partnered with the Lamont Administration and its testing and vaccination partners in setting and meeting high standards for this critical work.

The Administration recognizes that the industry has faced serious financial challenges associated with the extraordinary costs of the public health emergency. In response, federal Provider Relief Fund assistance to nursing homes has been supplemented with the following additional relief efforts from March 1, 2020 to date:

- a **10% Medicaid rate increase** effective for the period March 1 through April 30, 2020 – the total value of which is \$23.4 million;
- **Coronavirus Relief Fund (CRF) grant payments** approximating the value of an **additional 10% increase for April 2020 and 20% increase for May and June 2020** – the total value of which is \$48.0 million;
- **CRF hardship grant payments**, for homes determined by the Commissioner to be at risk– the total value of which is \$0.9 million;
- **\$600 per day per day** payments for the care of COVID-19 positive residents to COVID Recovery Facilities– the total value of which is \$12.1 million;
- **CRF grant payments** approximating the value of an **additional 10% increase for November and December 2020** – the total value of which is \$21.3 million;
- a **5% Medicaid rate increase** for the months of January and February 2021, and a **10% Medicaid rate increase** for the month of March 2021 – the total value of which is \$18.8 million (updated estimate);
- **In-kind support for testing of residents and staff** – over \$120 million to date (CRF funding less insurance billing); and
- **In-kind direct distribution of millions of pieces of PPE, including masks, gowns, face shields and coveralls.**

In total, more than \$240 million in federal and state financial assistance has been allocated to the Connecticut nursing home industry.

Notwithstanding this support, review of census and cost report data reveals that the industry continues to be challenged by overall low census and associated loss of revenue. Statewide census for March 2021 was 73.4% compared to 87% in January 2020 which is historically the more typical rate. In light of this, the Department of Social Services, under the direction of the

Office of Policy and Management, has reviewed and is implementing the following additional supports:

- **crediting homes for financial incentives provided** to direct care staff since July 1, 2020, either in partial or full satisfaction of the \$500 payment that is to be provided to direct care staff;
- a **5% Medicaid rate increase** for the period from April 1, 2021 through June 30, 2021 – the total value of which is \$14.1 million;
- **continuation of state coverage of costs for nursing home testing**, in accordance with Department of Public Health (DPH) guidance, through June 30, 2021 – the total value of which is estimated at over \$45 million; and
- **deferral of the phased-in implementation of acuity-based rates**, from July 1, 2021 to October 1, 2021.

### **Credit for Staff Incentives**

The December 30, 2020 financial support package required nursing facilities to make \$500 staff incentive payments to recognize all direct care staff and, at the discretion of each home, incentive payments to indirect care staff for their service, and to provide immediate on-hand cash for staff and their families. Given the concerns raised by the industry, the Administration has revisited this and is revising the requirement such that any nursing home that made one-time, lump sum payments of up to \$500 to staff from July 1, 2020 to the present will be credited as having met the requirement on a dollar-for-dollar basis up to the entire amount. Shift differentials, overtime wages, and hourly rate adjustments would not qualify. Please note that the deadline for nursing facilities to submit applications to the Department for CRF grant payments has been extended to April 20, 2021. Additional information is available at the Department website: <https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-Nursing-Home-Reimbursement/Medicaid-Nursing-Home-Reimbursement>.

### **Medicaid Rate Increase**

The Administration is also approving a further period of 5% Medicaid rate increases from April 2021 to June 2021 for nursing homes that demonstrate and attest to compliance with Department of Public Health infection control protocol and standards. Nursing homes must demonstrate and attest to the following to qualify for the rate increase:

- demonstrate compliance with DPH standards regarding infection control, including, but not limited to, cohorting requirements and establishment of back-up testing partners;
- perform supplemental antigen testing; and
- progress on plans to eliminate rooms with three and four beds.

As applicable, nursing facilities should review orders issued by the Commissioner of the Department of Public Health for additional detail on the items above. In consideration of the above activities, Medicaid rates will be increased by 5% for the period April 1, 2021 to June 30, 2021, over the rate in effect on January 1, 2021.

### **Testing Costs**

State coverage of costs for nursing home testing, in accordance with DPH guidance, will continue through June 30, 2021.

### **Acuity-Based Reimbursement**

The Department will defer the phased-in implementation of acuity-based rates from July 1, 2021 to October 1, 2021. This will permit an appropriate period for stakeholder work between the Department and the industry, including, but not limited to, analysis of quarterly minimum data set (MDS) information, acuity impact post-COVID, and individual financial impact by facility.

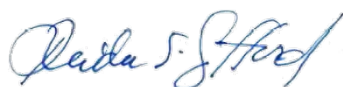
Related, the Department would benefit from convening a forum with the industry to examine the impact of the public health emergency on consumer demand for nursing home care, best practices for resident care, and opportunities to align current bed and physical plant capacity with expected needs. This will be arranged in collaboration with both associations. Please contact Nicole Godburn, Manager of Reimbursement and Certificate of Need, Division of Health Services, at [nicole.godburn@ct.gov](mailto:nicole.godburn@ct.gov) with any questions regarding the new provisions noted above.

Thank you for your continued partnership and service to our State.

Sincerely,



Melissa McCaw  
Secretary  
Office of Policy and Management



Deidre Gifford, MD, MPH  
Commissioner  
Department of Social Services