

**DEPARTMENT OF SOCIAL SERVICES  
OFFICE OF EARLY CHILDHOOD**

**Notice of Proposed Medicaid Waiver**

**Renewal of Selective Provider Contracting Waiver  
Pursuant to Section 1915(b)(4) of the Social Security Act  
for  
Early Intervention Services (EIS) Pursuant to Early and Periodic Screening, Diagnostic  
and Treatment (EPSDT) Qualified Program Waiver**

The State of Connecticut Department of Social Services (DSS), which is Connecticut's single state Medicaid agency and the State of Connecticut Office of Early Childhood (OEC), which administers the Connecticut Birth to Three System, including this waiver, provide notice that DSS proposes to submit the following Medicaid waiver renewal application to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

Description of the Waiver Renewal

Effective October 1, 2019, the above-referenced waiver renewal enables the state to continue limiting the number of qualified EIS providers in each municipality. This waiver renewal continues the same policy as in effect under the current waiver and does not affect Medicaid coverage or payment for EIS, which are described separately in the Medicaid State Plan.

OEC administers Connecticut's Birth to Three System, which is Connecticut's statewide program to provide EIS in accordance with Part C of the Individuals with Disabilities Education Act (IDEA), 42 U.S.C. §§ 1431 to 1444, inclusive, and 34 C.F.R. Part 303. This waiver enables OEC to continue operating the Birth to Three System using a competitive procurement for Birth to Three programs, which are entities that provide EIS, including EIS pursuant to EPSDT for Medicaid members. As part of this process, OEC conducts a competitive procurement and limits the number of qualifying providers in each municipality to ensure that there is sufficient access to services for all members, while also ensuring that each provider has sufficient caseloads to maintain efficiency, expertise, and high quality services.

Fiscal Information

This waiver renewal does not affect payments to providers of EIS. By continuing to limit the number of providers, the waiver is anticipated to reduce administrative expenditures for the state (compared to if no waiver were in effect).

## Obtaining Waiver Renewal Language and Submitting Public Comments

The proposed waiver renewal is posted on the DSS website at this link: <http://portal.ct.gov/dss>. Scroll down to the bottom of the webpage and click on “Publications” and then click on “Updates.” Then click on “Medicaid State Plan Amendments”. The proposed waiver renewal may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the waiver renewal from DSS or to send comments about the waiver renewal, please email: [Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov) or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5067). Please reference “Waiver Renewal – Selective Provider Contracting – EIS Pursuant to EPSDT”.

Anyone may send DSS written comments about this waiver renewal. Written comments must be received by DSS at the above contact information no later than June 20, 2019.

**Application for**

**Section 1915(b) (4) Waiver**

**Fee-for-Service**

**Selective Contracting Program**

June, 2012

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# Application for Section 1915(b) (4) Waiver Fee-for-Service (FFS) Selective Contracting Program

## Facesheet

The **State** of Connecticut requests a waiver/amendment under the authority of section 1915(b) of the Act. The Medicaid agency will directly operate the waiver.

The **name of the waiver program** is CT EPSDT EIS Qualified Program Waiver  
(List each program name if the waiver authorizes more than one program.).

**Type of request.** This is:

- an initial request for new waiver. All sections are filled.
- a request to amend an existing waiver, which modifies Section/Part \_\_\_\_\_
- a renewal request

Section A is:

- replaced in full
- carried over with no changes
- changes noted in **BOLD**.

Section B is:

- replaced in full
- changes noted in **BOLD**.

**Effective Dates:** This waiver/renewal/amendment is requested for a period of 2 years beginning 10/01/2019 and ending 09/30/2021.

**State Contact:** The State contact person for this waiver is Alice E. Ridgway and can be reached by telephone at (860) 500-4403, or fax at (860) 622-2789, or e-mail at Alice.Ridgway@ct.gov. (List for each program)

## Section A – Waiver Program Description

### Part I: Program Overview

#### **Tribal Consultation:**

Describe the efforts the State has made to ensure that Federally-recognized tribes in the State are aware of and have had the opportunity to comment on this waiver proposal (if additional space is needed, please supplement your answer with a Word attachment).

Connecticut seeks advice from the two federally-recognized tribes in Connecticut, the Mashantucket Pequot Tribal Nation and the Mohegan Tribe, through periodic meetings with tribal health representatives and by ongoing written/electronic communications. Prior to submission of a State Plan Amendment, waiver, waiver amendment, or demonstration project proposal submitted to CMS, the Department of Social Services (DSS), which is Connecticut's single state Medicaid agency, sends a copy of the public notice to both tribes by email. If the submission does not require public notice, DSS sends a brief summary of the proposed change to both tribes, again, via email.

On May 20, 2019, DSS sent notification to tribal representatives for the two tribes referenced above for this waiver (with a summary, plus the draft waiver application and the public notice attached). The tribal representatives did not have any comments.

#### **Program Description:**

Provide a brief description of the proposed selective contracting program or, if this is a request to amend an existing selective contracting waiver, the history of and changes requested to the existing program. Please include the estimated number of enrollees served throughout the waiver (if additional space is needed, please supplement your answer with a Word attachment).

Connecticut's Birth to Three System, operated by the Office of Early Childhood (OEC), provides Early Intervention Services (EIS) pursuant to EPSDT to families with infants and toddlers with developmental delays and disabilities. The intent of the program is to minimize developmental delays and prevent institutionalization through home and community-based services, including evaluation, assessment, Individualized Family Service Plans (IFSPs), early intervention services, and service coordination. The OEC contracts with highly qualified EIS Programs and determines the towns that each contractor will serve. This assures choice for families and also limits the number of EIS Programs in each town so that EIS Programs can maintain high enough caseloads to be cost efficient and so that EIS providers will stay current with the many requirements of providing this federal entitlement.

#### **Waiver Services:**

Please list all existing State Plan services the State will provide through this selective contracting waiver (if additional space is needed, please supplement your answer with a Word attachment).

The State provides EPSDT early intervention services covered in the State Plan EPSDT benefit through this selective contracting waiver as a selective contracting service.

## A. Statutory Authority

1. **Waiver Authority.** The State is seeking authority under the following subsection of 1915(b):

**1915(b) (4) - FFS Selective Contracting program**

2. **Sections Waived.** The State requests a waiver of these sections of 1902 of the Social Security Act:

- a.  **Section 1902(a) (1) - Statewideness**
- b.  **Section 1902(a) (10) (B) - Comparability of Services**
- c.  **Section 1902(a) (23) - Freedom of Choice**
- d.  **Other Sections of 1902 – (please specify)**

## B. Delivery Systems

1. **Reimbursement.** Payment for the selective contracting program is:

- the same as stipulated in the State Plan  
 is different than stipulated in the State Plan (please describe)

2. **Procurement.** The State will select the contractor in the following manner:

- Competitive** procurement  
 **Open** cooperative procurement  
 **Sole source** procurement  
 **Other** (please describe)

## C. Restriction of Freedom of Choice

1. **Provider Limitations.**

- Beneficiaries will be limited to a single provider in their service area.  
 Beneficiaries will be given a choice of providers in their service area.

(NOTE: Please indicate the area(s) of the State where the waiver program will be implemented)

2. **State Standards.**

Detail any difference between the state standards that will be applied under this waiver and those detailed in the State Plan coverage or reimbursement documents (if additional space is needed, please supplement your answer with a Word attachment).

There will be no changes to the State standards currently applied to EPSDT EIS as a result of this waiver. State standards will be applied in the same manner as those outlined in the State Plan coverage and reimbursement pages.

**D. Populations Affected by Waiver**

(May be modified as needed to fit the State's specific circumstances)

1. **Included Populations.** The following populations are included in the waiver:

- Section 1931 Children and Related Populations
- Section 1931 Adults and Related Populations
- Blind/Disabled Adults and Related Populations
- Blind/Disabled Children and Related Populations
- Aged and Related Populations
- Foster Care Children
- Title XXI CHIP Children

2. **Excluded Populations.** Indicate if any of the following populations are excluded from participating in the waiver:

- Dual Eligibles
- Poverty Level Pregnant Women
- Individuals with other insurance
- Individuals residing in a nursing facility or ICF/MR
- Individuals enrolled in a managed care program
- Individuals participating in a HCBS Waiver program
- American Indians/Alaskan Natives

- Special Needs Children (State Defined). Please provide this definition.
- Individuals receiving retroactive eligibility
- Other (Please define):

## **Part II: Access, Provider Capacity and Utilization Standards**

### **A. Timely Access Standards**

Describe the standard that the State will adopt (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has adopted) defining timely Medicaid beneficiary access to the contracted services, *i.e.*, what constitutes timely access to the service?

1. How does the State measure (or propose to measure) the timeliness of Medicaid beneficiary access to the services covered under the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment)?

Through federal statute and regulations (IDEA, 42 U.S.C. § 1435 and 34 C.F.R. § 303.310), contracts, and procedures, Connecticut has established the standard for timely access to Early Intervention Services. Families will be contacted within 48 hours, a comprehensive evaluation, assessment and initial Individualized Family Service Plan (IFSP) meeting will be held within 45 days from referral, and all new services will begin within 45 days from the parent's consent on the IFSP.

2. Describe the remedies the State has or will put in place in the event that Medicaid beneficiaries are unable to access the contracted service in a timely fashion (if additional space is needed, please supplement your answer with a Word attachment).

All families are given a toll-free number to call with any questions or concerns. As needed, OEC staff contact the EIS Program to determine the cause for the delay and to facilitate a resolution. Families can also chose another EIS Program that serves their town. Through its transactional database the OEC regularly monitors timely access to services. When services are not timely, findings of noncompliance are issued. Connecticut has consistently reported over 95% compliance with the IDEA requirement for timely access to services.

## **B. Provider Capacity Standards**

Describe how the State will ensure (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State has ensured) that its selective contracting program provides a sufficient supply of contracted providers to meet Medicaid beneficiaries' needs.

1. Provide a detailed capacity analysis of the number of providers (e.g., by type, or number of beds for facility-based programs), or vehicles (by type, per contractor for non-emergency transportation programs), needed per location or region to assure sufficient capacity under the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

The state currently has 32 EIS Programs and serves over 10,000 children annually. On any given day approximately 5,000 children receive Early Intervention Services (EIS). The state has not had any issues with capacity since 2008 when it created new EIS Programs. In 2012 the state issued 3 statewide RFPs and established that there is no limit to the number of children an EIS Program can serve.

Through its transactional database, OEC is able to determine the number of cases in each EIS Program at any time. Each referral is assigned to an EIS Program on a rotating basis through an electronic transactional database from a central intake system. EIS Programs can withdraw from rotation at any time. Regardless of whether there are any EIS Programs generally accepting new referrals through the rotation system for a given town, the contract between the OEC and the EIS Programs states that the central intake office will send referrals to the next EIS Program in the queue without delay.

Should there be insufficient capacity in a given town, EIS Programs that serve neighboring towns are offered the opportunity to expand their catchment area. In the case where there is ongoing insufficient capacity and existing qualified EIS Programs are not able to meet the needs, a Request For Proposals (RFP) would be published to create new qualified EIS Programs.

If approved, the state will be issuing an RFP in the fall of 2019 with new contracts become effective in July of 2020.

2. Describe how the State will evaluate and ensure on an ongoing basis that providers are appropriately distributed throughout the geographic regions covered by the selective contracting program so that Medicaid beneficiaries have sufficient and timely access throughout the regions affected by the program (if additional space is needed, please supplement your answer with a Word attachment).

OEC has an electronic transactional database with all EIS Programs and a central intake office. Using this data, EIS Programs are assigned to cover every town in the state with at least two EIS Programs, whenever possible, to afford families choice. Each town will have a sufficient number of EIS Programs to meet both the quantitative and qualitative aspects of the services required and are designed to ensure high quality services are provided.

Ongoing real time data analysis and risk assessments including fiscal audits, quality monitoring and complaint management are completed by the OEC. Changes to the towns served by each EIS Program can be made quickly as it is not tied to the EIS Program provider contract and requires only a change in the data system.

## **B. Utilization Standards**

Describe the State's utilization standards specific to the selective contracting program.

1. How will the State (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State) regularly monitor(s) the selective contracting program to determine appropriate Medicaid beneficiary utilization, as defined by the utilization standard described above (if additional space is needed, please supplement your answer with a Word attachment)?

OEC, DSS, and EIS Programs share responsibility for utilization management functions. EIS Programs have a contract with the OEC and a provider agreement with the DSS. They are monitored annually using a comprehensive system of general supervision including responding to complaints to a central toll-free number, real-time data analyses and dashboard reports in a transactional database, cyclical monitoring of compliance, on-site records reviews, focused monitoring, self-assessments, fiscal audits.

2. Describe the remedies the State has or will put in place in the event that Medicaid beneficiary utilization falls below the utilization standards described above (if additional space is needed, please supplement your answer with a Word attachment).

The OEC monitors the timeliness of initial evaluations and IFSPs and new services annually using all instances during the fiscal year. In addition, OEC staff conduct annual audits of each EIS Program and on-site reviews as needed. If EIS Programs are found to be out of compliance or fail to meet the needs of families as well as the contractual requirements, the OEC issues findings of noncompliance and tracks timely correction (as soon as possible but no later than one year). EIS Programs are required to develop improvement plans to report progress on timely correction. When correction is not timely or when the noncompliance is pervasive, the OEC develops a corrective action plan to ensure that problems are corrected. If the issues identified are still not corrected a compliance agreement is developed that include sanctions such as limiting referrals and withholding funds until correction is verified. If after that no correction can be verified, the contract is terminated and a new provider is offered in the towns previously served by the closed EIS Program.

### **Part III: Quality**

#### **A. Quality Standards and Contract Monitoring**

1. Describe the State's quality measurement standards specific to the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).
  - a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):
    - i. Regularly monitor(s) the contracted providers to determine compliance with the State's quality standards for the selective contracting program.
    - ii. Take(s) corrective action if there is a failure to comply.

OEC monitors EIS programs to uphold EIS Program compliance with State and Federal law as well as contractual compliance and quality standards. Specifically, the OEC monitors EIS Program utilization and compliance annually through a transactional database and a dedicated complaint line, as well as through on-site record reviews, self-assessments, and fiscal audits. Corrective action plan are described in the previous section as well.

2. Describe the State's contract monitoring process specific to the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).
  - a. Describe how the State will (or if this is a renewal or amendment of an existing selective contracting waiver, provide evidence that the State):
    - i. Regularly monitor(s) the contracted providers to determine compliance with the contractual requirements of the selective contracting program.
    - ii. Take(s) corrective action if there is a failure to comply.

The OEC monitors each EIS Program using a variety of methods described above and, as needed, EIS Programs are required to develop improvement plans to report progress on timely correction. When correction is not timely or when the noncompliance is pervasive, the OEC develops a corrective action plan to ensure that problems are corrected. If the issues identified are still not corrected, a compliance agreement is developed that include sanctions such as limiting referrals and withholding funds until correction is verified. If after that no correction can be verified, the contract is terminated and a new EIS Program is offered to serve the towns previously served by the closed EIS Program.

## **B. Coordination and Continuity of Care Standards**

Describe how the State assures that coordination and continuity of care is not negatively impacted by the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

The services in a family's IFSP are required by law to be provided as listed. If the contract between the OEC and an EIS Program is canceled, an end date is selected that will have the least impact on service delivery and some programs are offered the opportunity to stay in operation until all the enrolled children turn age 3. If the end date is before all children turn age 3, the families are transferred without any delay to another EIS Program serving the town where the family resides using an electronic transactional data system. The lead agency maintains sufficient capacity in each town by issuing RFPs as needed. RFPs are staggered over time as part of a procurement plan to assure continuity from year to year and to prevent any potential delays.

## **Part IV: Program Operations**

### **A. Beneficiary Information**

Describe how beneficiaries will get information about the selective contracting program (if additional space is needed, please supplement your answer with a Word attachment).

There are multiple systems in place to make the public aware of Connecticut's services for children with delays and disabilities under age 3. All referrals are received at a central intake office (the state's Child Development Infoline). If the parent of the child being referred is not the referral source, the parent is contacted. If the parent elects to proceed with an evaluation, they are asked if they have a preference of EIS Program. If they have no preference, they are given the names of the EIS Programs that cover their town and if they still have no preference, an EIS Program is selected based on a rotating list (rotation). After the evaluation and at the initial and annual IFSP meetings, the family is reminded about other programs options.

Choice in programs is one of the options provided to families when they contact the lead agency with a complaint.

### **B. Individuals with Special Needs.**



The State has special processes in place for persons with special needs (Please provide detail).

All EPSDT EIS clients have special needs. To meet these needs, the Individualized Family Service Plan (IFSP) is a requirement to provide Early Intervention Services. Therefore, by virtue of its operation, the EIS Programs, through the IFSP, meet the special needs of persons with special needs.

## Section B – Waiver Cost-Effectiveness & Efficiency

### Efficient and economic provision of covered care and services:

1. Provide a description of the State’s efficient and economic provision of covered care and services (if additional space is needed, please supplement your answer with a Word attachment).

Rates are statewide and set based on cost. The number of programs does not impact rates. Capping the number of EIS Programs in each town enables the state to administer the system more efficiently by reducing administrative costs, specifically by: limiting the number of contracts developed and monitored, the number of staff trained, and other administrative activities, which all will result in lower administrative costs. Because waiver savings are calculated based on administrative costs (the waiver is not expected to affect service expenditures), figures listed below are projected administrative expenditures. +

2. Project the waiver expenditures for the upcoming waiver period.

Year 1 from: 10/01/19 to 09/30/20

Trend rate from current expenditures (or historical figures): 0%

Projected pre-waiver cost	1703440
Projected Waiver cost	1362752
Difference:	340688

Year 2 from: 10/01/20 to 09/30/21

Trend rate from current expenditures (or historical figures): 14.1%

Projected pre-waiver cost	2187105
Projected Waiver cost	1555275
Difference:	631830

Year 3 (if applicable) from:      to     

*(For renewals, use trend rate from previous year and claims data from the CMS-64)*

Projected pre-waiver cost	
Projected Waiver cost	
Difference:	

Year 4 (if applicable) from:      to     

*(For renewals, use trend rate from previous year and claims data from the CMS-64)*

Projected pre-waiver cost	
Projected Waiver cost	
Difference:	

Year 5 (if applicable) from: \_\_\_ \_\_\_ \_\_\_ to \_\_\_ \_\_\_ \_\_\_

*(For renewals, use trend rate from previous year and claims data from the CMS-64)*

Projected pre-waiver cost \_\_\_\_\_

Projected Waiver cost \_\_\_\_\_

Difference: \_\_\_\_\_