

DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 18-AA: Physician Supplemental Payments for the University of Connecticut's Physician Group

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

Changes to Medicaid State Plan

Effective on or after October 1, 2018, SPA 18-AA will amend Attachment 4.19-B of the Medicaid State Plan to change the method of making supplemental payments to the University of Connecticut (UConn) Health Center's physician group (which is the state-owned physician group that is affiliated with an academic medical center) for physicians' services provided to Medicaid members. The supplemental payment is currently based on the difference between the Medicare and the Medicaid rates for Medicaid physicians' services. This SPA proposes to calculate the supplemental payment based on the difference between the Medicaid rate and the Medicare equivalent of the average commercial rate (ACR).

Fiscal Impact

DSS estimates that this SPA will increase annual aggregate expenditures by approximately \$4.6 million in State Fiscal Year (SFY) 2019 and \$9.3 million in SFY 2020.

Obtaining SPA Language and Submitting Comments

This SPA is posted on the DSS website at the following 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 SPA 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 SPA from DSS or to send comments about the SPA, please email: christopher.lavigne@ct.gov or write to: Christopher A. Lavigne, Department of Social Services, Office of Reimbursement & Certificate of Need, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5719, Fax: 860-424-4812). Please reference: "SPA 18-AA: Supplemental Payments for the University of Connecticut's Physician Group".

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than October 9, 2018.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State Connecticut

f. Supplemental Reimbursement for Professional Services provided by University of Connecticut Health Care Center

Supplemental payments shall be made to the state-owned and operated University of Connecticut Health Care Center (UConn HCC) for services provided by physicians employed or under contract.

Effective for dates of service on or after July 1, 2017, DSS will make supplemental payments to UConn HCC for eligible services for the difference, if any, between Medicaid payments already made to these providers and payments at applicable Medicare rates.

Payments will be made quarterly. The methodology for calculating the supplemental payment for eligible professional services is as follows:

- a. After the close of each quarter, Medicaid claims will be obtained for dates of service between: (1) July 1, 2017 or the three quarters immediately prior to such quarter, whichever is later, and (2) the end of the applicable quarter.
- b. The Medicaid data will be summarized by procedure code and units of service. Claims where Medicare is the primary payer will be excluded.
- c. Medicaid payment for each procedure code will be calculated by multiplying the units of service by the applicable Medicaid rate for each procedure code.
- d. The Medicare payment rate for each procedure code will be obtained from the applicable Medicare fee schedule.
- e. Medicare payment for each procedure code will be calculated by multiplying the Medicaid units of service by the Medicare rate for each procedure code.
- f. Total Medicaid payments and total payments at Medicare rates will be summed. The difference will be the aggregate supplemental payment.
- g. Actual supplemental payment(s) from the preceding quarter(s) will be deducted to determine the supplemental payment for the current quarter. This is necessary to address the issue of claim runout (*i.e.*, the delay between provision of the service and billing, processing and payment of the claims) and avoid the need for reconciliation.
- h. Total supplemental payments for state fiscal year 2018 shall not exceed the room under the upper payment limit submitted with this SPA.
- i. Total annual supplemental payments for subsequent years shall not exceed the room under the upper payment limit per the annual submission due each June 30th.

TN # 17-0022Approval Date _____ Effective Date 07-01-2017

Supersedes

TN # NEW