

**Implementation of DSS Home Health and Waiver Rate Increases as Provided under the Biennial Budget and American Rescue Plan Act Home and Community-Based Services (HCBS) Reinvestment Plan
August 3, 2021**

To support the viability and sustainability of home and community-based long-term services and supports in Connecticut, the administration has braided appropriated state General Funds and funds associated with the reinvestment of the supplemental 10% federal match that was enacted under section 9817 of the American Rescue Plan Act (ARPA) to provide the following:

- A minimum wage increase pursuant to PA 19-4 for applicable home health aide and waiver services, including, but not limited to, agency-based personal care assistants (PCAs), chore/homemaker, and companion services, effective 8/1/2021 and 7/1/2022. The 8/1/2021 increase in rates will be 6% for applicable services.
- For HCBS waiver services:
 - a one-time stabilization payment estimated at 5% of total SFY 2020 expenditures, included under the ARPA reinvestment plan, to be paid within the quarter ending 9/30/2021 (payment parameters under review);
 - a 1.7% across-the-board rate increase, authorized under the biennial budget, funded by state General Fund dollars, effective 7/1/2021;
 - supplemental rate funding beyond the 1.7% to bring waiver services to a maximum 4.5% total rate increase (inclusive of the 1.7%), including a 3.5% base increase and up to a 1% value-based payment (VBP) increase, included under the ARPA reinvestment plan, effective 7/1/2021, with:
 - both rate components contingent on approval of Connecticut's ARPA reinvestment plan; and
 - the VBP increase contingent on participation in race-equity training, connection to the state's health information exchange (HIE) and reporting of quality and financial data.
- For home health services other than pediatric complex care:
 - a one-time stabilization payment estimated at 5% of total SFY 2020 expenditures, included under the ARPA reinvestment plan, to be paid within the quarter ending 9/30/2021 (payment parameters under review);
 - a maximum 4.5% rate increase, including a 3.5% base increase and up to a 1% VBP increase, included under the ARPA reinvestment plan, effective 7/1/2021, with:
 - both rate components contingent on approval of Connecticut's ARPA reinvestment plan; and
 - the VBP increase contingent on participation in race-equity training, connection to the state's HIE and reporting of quality and financial data.
- For pediatric complex care home health services:
 - a one-time stabilization payment estimated at 5% of total SFY 2020 expenditures, included under the ARPA reinvestment plan, to be paid within the quarter ending 9/30/2021 (payment parameters under review);
 - a 1.7% increase, authorized under the biennial budget, funded by state General Fund dollars, effective 7/1/2021; and
 - an additional rate increase, included under the ARPA reinvestment plan, effective 7/1/2021, yielding a total increase of 31.7%, inclusive of the 1.7%.

Related, DSS will continue work on the waiver rate study that is being conducted by Myers & Stauffer, and anticipates finalizing new methodologies that will be used as the basis for future rate adjustments.

In support of implementing the above package, DSS is using Medicaid State Plan, a disaster State Plan Amendment, requests to modify its current Appendix K authority, and amendments to its 1915(c) waivers. All authority documents will 1) as required, be noticed for public comment; and 2) be posted on the DSS website at this link:

<https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-State-Plan-Amendments>