

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, MD 21244-1850



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**Financial Management Group**

June 19, 2019

Roderick L. Bremby, Commissioner  
Department of Social Services  
55 Farmington Avenue 9<sup>th</sup> Floor  
Hartford, CT 06105

RE: Connecticut 19-0012

Dear Commissioner Bremby:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 19-0012. Effective April 15, 2019 to June 30, 2019, this amendment provides for a one-time hospital inpatient supplemental payment to offset the aggregate reduction in payments that resulted from implementation of version 36 of the DRG grouper.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447. We are pleased to inform you that Medicaid State plan amendment 19-0012 is approved effective April 15, 2019. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Novena James-Hailey at (617) 565-1291.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kristin Fan", is positioned above the typed name.

Kristin Fan,  
Director

**TRANSMITTAL AND NOTICE OF APPROVAL  
OF STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES**

1. TRANSMITTAL NUMBER:  
19-0012

2. STATE: CT

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE AND MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE:  
April 15, 2019

5. TYPE OF STATE PLAN MATERIAL (Check One):

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:  
Section 1905(a)(1) of the Social Security Act and  
42 CFR 440.10 and 447.253(a), (b), and (c)

7. FEDERAL BUDGET IMPACT:  
FFY 2019      \$75.3 million  
FFY 2020      \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  
Attachment 4.19-A, Page 1(xiii)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR  
ATTACHMENT (If applicable)  
New

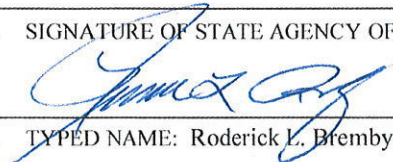
10. SUBJECT OF AMENDMENT: Effective from April 15, 2019 through June 30, 2019, this SPA amends Attachment 4.19-A of the Medicaid State Plan to implement a one-time hospital inpatient supplemental payment. The payment is intended to offset the aggregate reduction in payments that resulted from implementation of version 36 of the DRG grouper. Payment amounts will be calculated by repricing each hospital's paid claims for dates of discharge from October 1, 2018 through April 14, 2019 using the applicable adjustment factor calculated to make overall hospital DRG payment levels under grouper version 36 comparable to the levels under the prior version. That adjustment factor is the same factor that will be used as part of the DRG payment methodology effective April 15, 2019, which is being proposed to be added to the Medicaid State Plan by SPA 19-0011. The hospital's repriced claims will be subtracted from actual paid claims to determine the supplemental payment amount to each hospital. DSS estimates that this SPA will increase federal expenditures by approximately \$75.3 million in FFY 2019 and \$0 in FFY 2020. However, because this SPA is designed to offset the overall reduction in weights from the most recent grouper version to the prior grouper version, after implementation of this SPA, there is no significant change in the level of expenditures for FFY 2019 compared to the level in place prior to the implementation of the most recent grouper version.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME: Roderick L. Bremby

14. TITLE: Commissioner

15. DATE SUBMITTED:  
May 8, 2019

16. RETURN TO:

State of Connecticut  
Department of Social Services  
55 Farmington Avenue - 9th floor  
Hartford, CT 06105  
Attention: Ginny Mahoney

**FOR REGIONAL OFFICE USE ONLY**


17. DATE RECEIVED:

18. DATE APPROVED: JUN 19 2019

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:  
APR 15 2019

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME: Kristin Fan

22. TITLE: Director, FMG

23. REMARKS:

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Connecticut**(2c) One-Time Supplemental Reimbursement to Hospitals receiving APR-DRG Payments**

This one-time supplemental payment to eligible hospitals is calculated in a manner designed to mitigate the aggregate reduction in the overall level of payment that resulted from the implementation of version 36 of the 3M All Patient Refined Diagnosis Related Grouper (APR-DRG) prior to the implementation of a state-specific adjustment factor by peer group. The peer groups are: children's hospitals, public acute care general hospitals, and private acute care general hospitals. The adjustment factor is calculated as described in subsection A4 of the DRG payment section of Attachment 4.19-A of the Medicaid State Plan.

Eligible hospitals are acute care general and children's hospitals that were reimbursed for inpatient hospital services under the APR-DRG reimbursement methodology during state fiscal year 2019.

This one-time supplemental payment is effective from April 15, 2019 through June 30, 2019 and will be calculated for each hospital by:

- (1) Repricing each hospital's paid claims for dates of discharge from October 1, 2018 through April 14, 2019, submitted and processed by the state's Medicaid Management Information System (MMIS) on or before June 6, 2019, using the adjustment factor referenced above.
- (2) Determining actual aggregate paid claims for each hospital for dates of discharge from October 1, 2018 through April 14, 2019.
- (3) Calculating the difference between (1) and (2), which is the supplemental payment to each hospital.

TN # 19-0012

Supersedes

TN # NEWApproval Date JUN 19 2019Effective Date: 04/15/2019