STATE OF CONNECTICUT DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 24-U: Community First Choice - Reimbursement Updates to Implement Personal Care Attendant Collective Bargaining Agreement

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). Public comment information is listed below.

Changes to Medicaid State Plan

Effective on or after July 1, 2024, this SPA will amend Attachment 4.19-B of the Medicaid State Plan in order to make the reimbursement increases described below for the Community First Choice (CFC) benefit pursuant to section 1915(k) of the Social Security Act.

The CFC self-directed personal care attendant (PCA) rates are being increased to comply with the <u>Collective Bargaining Agreement</u> (CBA) between the state's PCA Workforce Council and the union representing self-directed PCAs, which, after approval by the Connecticut General Assembly on March 25, 2024, was recently amended and extended through June 30, 2026. As required by the CBA, the state is to increase the payment rates for applicable CFC services, incorporating all of the relevant changes as detailed in the CBA, including, but not limited to: (1) wage increases, which comprise (A) specified hourly wage increases and (B) minimum percentbased wage increases for individuals already receiving rates above the set minimum wages; (2) additional holidays added for holiday pay; (3) increase in the methodology for calculating the rate add-on to support individuals' health care expenses; and (4) increases in the methodology for calculating paid time off.

As detailed in the current approved Medicaid State Plan, the payment rates are calculated for each PCA to reflect all applicable components of the rate set forth in the Medicaid State Plan, including, but not limited to, applicable wage, employer taxes, and workers' compensation coverage (which are final components of the rate), plus the interim components of the rate, which include paid time off and rate add-on to support PCA's health care expenses. The calculation of the rate also incorporates all provisions required by applicable state and federal law, including minimum wage and other applicable labor law, which may result in adjustment of the overall analysis of the fiscal impact. Fee schedules are published on the Connecticut Medical Assistance Program website: <u>www.ctdssmap.com</u>,. From this web page go to 'Provider,' then to 'Provider Fee Schedule Download,' then select the applicable fee schedule.

The purpose of this SPA is to implement the CBA referenced above and to support ongoing access to quality CFC services for Medicaid members.

<u>Fiscal Impact</u>

Based on the information currently available, DSS estimates this SPA will increase annual aggregate expenditures by approximately \$5,990,075 in State Fiscal Year (SFY) 2025 and \$7,321,150 in State Fiscal Year (SFY) 2026.

Obtaining SPA Language and Submitting Comments

The proposed SPA is posted on the DSS website at this link: <u>https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-State-Plan-Amendments</u>. The proposed SPA may also be obtained at any DSS resource center, 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: <u>Public.Comment.DSS@ct.gov</u> or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 24-U: Community First Choice - Reimbursement Updates to Implement Personal Care Attendant Collective Bargaining Agreement".

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than **July 31, 2024**.

Community First Choice State Plan Option Pursuant to Section 1915(k) of the Social Security Act The payment methodology described below applies to all services and supports provided under Connecticut's Community First Choice (CFC) State Plan Option pursuant to section 1915(k) of the Social Security Act, as described in and provided in accordance with Attachment 3.1-K of the Medicaid State Plan.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of CFC services pursuant to section 1915(k) of the Social Security Act. Except as otherwise provided below, CFC services are paid pursuant to the current fee schedule for CFC. The agency's fee schedule rates were set as of May 1, 2024, July 1, 2024 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download," then select the applicable fee schedule. Medicaid payment under CFC does not include payment for room and board.

Payments are made by the Medicaid agency directly to the providers of State Plan services or to the fiscal intermediary to disburse payments. Payments for all State Plan services are made through the state's Medicaid Management Information System (MMIS).

As set forth on the fee schedule referenced above, the following CFC services are reimbursed as described below:

<u>Attendant Care:</u> Attendant care rates are billed under five distinct payment methodologies, each of which is based on the plan of care and the specific circumstances of the services provided, as follows:

1. Hourly Rate: When care is provided over a period of time which is neither live-in care for a continuous 24-hour period, nor a 12-hour overnight shift, a quarter-hour rate is used.

2. Per Diem Rate: When care is provided for a continuous 24-hour period by a live-in attendant, a per diem rate is billed, which assumes that the attendant receives at least eight hours of sleep, at least five of which is uninterrupted.

3. Pro-Rated Per Diem Rate: When the 24-hour shift is not completed; services are billed at a pro-rated per-diem rate.

4. Overnight Rate: When care is provided overnight for a 12-hour period, services are billed under an overnight rate, which assumes that the attendant sleeps for half of the hours.

TN # <u>24-0012</u> Supersedes TN # 23-0023 Approval Date _____

Effective Date 05/01/2024

Community First Choice State Plan Option Pursuant to Section 1915(k) of the Social Security Act

5. Pro-Rated Overnight Rate: The pro-rated overnight rate is used when the 12-hour shift is not completed.

<u>Rate Methodology for Attendant Care Services</u>: The client who self-hires an attendant can decide the pay rate in accordance with this paragraph. The minimum attendant rate is determined by the collective bargaining agreement between the state and the applicable union representing attendants that is in effect at the time the services are provided and which sets forth the applicable minimum permissible rates and any other payments, including, but not limited to, lump sum payments and longevity payments. If no collective bargaining agreement is in effect at the time services are provided, the permissible rates and other applicable payments are those set forth in the most recent collective bargaining agreement for the time period immediately preceding expiration of the agreement. Sharing an attendant is also an option. The rate for sharing an attendant between two (2) participants is 150% of the rate applicable to an attendant providing services to a single participant. The shared attendant rate is distributed evenly between the individual budgets for the two (2) participants. All applicable employer taxes, workers' compensation coverage, paid time off, and add-on to support attendants' health care expenses are added to the pay rate to determine the Medicaid rate for each unit of service billed and paid by the attendant.

Most of the Medicaid rate for personal care attendant services is a final rate, specifically the base rate, applicable employer taxes, and workers' compensation coverage, which are final components of the rate. In accordance with the following provisions, the portions of the Medicaid rate reflecting paid time off (PTO) and add-on to support attendants' health care expenses (add-on) are paid as an interim rate to the state's contracted fiscal intermediary as part of the overall Medicaid rate and later reconciled to actual incurred payments using the cost settlement process detailed below:

a. *Interim Rates for PTO and Add-on Component of Medicaid Rate*: The state calculates the interim rate based on available information to estimate the cost of PTO and add-on, which the state updates annually each state fiscal year based on information available to estimate the likely payment and use of PTO and add-on. Interim rates are provisional in nature, pending the completion of cost reconciliation and cost settlement for the rate period, as noted below.

TN # <u>24-0012</u> Supersedes TN # <u>22-0034</u> Approval Date _____ Effectiv

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Workers' Compensation Coverage for Personal Care Attendant Services: For dates of service prior to January 1, 2019, the CFC participant will have the option to include the cost of workers' compensation coverage for their employees as part of their individual budget. For dates of service on and after January 1, 2019, workers' compensation coverage for attendants shall be provided in accordance with the collective bargaining agreement described above. If no collective bargaining agreement is in effect at the time services are provided, workers' compensation shall be provided in accordance with the most recent collective bargaining agreement for the time period immediately preceding expiration of the agreement. Workers' compensation will be calculated and paid in accordance with the standard requirements for workers' compensation insurance set forth by the State of Connecticut Workers' Compensation Commission and the State of Connecticut Department of Labor. As described above, workers' compensation coverage is incorporated into the payment rate for personal care attendant services.

Longevity Bonus: Effective May 1, 2024, there is a one-time longevity bonus payment to be made to each personal care attendant who has been employed and worked for the same consumer-employer no later than April 1, 2024, and have been continuously employed by the same-consumer-employer through March 31, 2026, which will be issued the week of May 18, 2026. The amount of the bonus is dependent on weekly hours worked on an annualized basis. Those PCAs who have worked twenty (20) hours or less per week, will receive a one-time bonus of \$400. PCAs who have worked over twenty (20) hours per week, will receive a one-time bonus of \$800. Additional requirements of the longevity bonus are in accordance with the terms of a collective bargaining agreement between the state and the applicable union representing attendants that is in effect at the time the services are provided.

TN # 24-0012 Supersedes TN # 22-0034 Approval Date _____

Effective Date 05/01/2024