

DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 21-AA: Nursing Facility Reimbursement

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 July 1, 2021, based on the information available at this time, this SPA will amend Attachment 4.19-A of the Medicaid State Plan to make the following proposed changes to the reimbursement for nursing facilities.

First, this SPA implements a 4.5% increase to nursing home rates in State Fiscal Year (SFYs) 2022 and 2023 for employee wage enhancements. If a facility receives a rate increase but does not enhance employee wages, DSS may decrease the rate by the same amount as the rate increase.

Second, within a total pool of approximately \$30.8 million (\$15.4 million state share) in SFY 2023, this SPA implements rate increases for nursing homes that provide enhanced employee health care and pension benefits. If a facility receives a rate increase but does not provide enhanced health care and pension benefits, DSS may decrease the rate by the same amount as the rate increase.

Third, within a total pool of up to approximately \$5 million (\$2.5 million state share) for each of SFY 2022 and SFY 2023, this SPA implements a targeted rate increase to the extent necessary to enable implementation of a modification of the social work staff requirements in nursing homes to one full-time social worker per sixty residents for nursing homes that are not currently providing such staffing. This rate increase does not apply to nursing homes already providing such staffing.

Fourth, within a total pool of up to approximately \$85.84 million for SFY 2022 (up to \$40 million state share), this SPA implements a temporary rate increase for nursing homes for a nursing home settlement.

Fifth, within a total pool of approximately \$1 million (\$500,000 state share) in each of SFY 2022 and SFY 2023, this SPA implements a targeted rate increase to the extent necessary to enable implementation of a minimum staffing level requirement for nursing homes of at least three hours of direct care per resident per day for nursing homes that are not currently providing such staffing. This rate increase does not apply to nursing homes already providing such staffing.

The purpose of this SPA is to implement changes in the approved state budget and anticipated changes in state law, each as enacted by the Connecticut General Assembly and either signed into law by the Governor or anticipated to be signed into law shortly. Specifically, the appropriations set forth in

section 29(b)(3) and (39) of Special Act 29-15, An Act Concerning the State Budget For The Biennium Ending June Thirtieth, 2023, and Making Appropriations Therefor, and Making Deficiency and Additional Appropriations for the Fiscal Year Ending June Thirtieth, 2021 and also to comply with sections 355, 356, 359, and 360, as applicable, of Senate Bill 1202 of the June special session of the Connecticut General Assembly, as amended, An Act Concerning Provisions Related to Revenue and Other Items to Implement the State Budget for the Biennium Ending June 30, 2023. That bill is anticipated to be signed into law shortly after this notice is submitted for publication in the Connecticut Law Journal. Collectively, as applicable, both enacted bills referenced above allocate the state share for the increases set forth above and for certain of the changes, specifically mandate such changes.

Fiscal Impact

DSS estimates that this SPA will increase annual aggregate expenditures by approximately \$137.4 million in SFY 2022 and \$170.8 million in SFY 2023.

Obtaining SPA Language and Submitting Comments

This SPA is posted on the DSS web site at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-State-Plan-Amendments>. The proposed SPA may also be obtained at any DSS field office or 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: Public.Comment.DSS@ct.gov or write to: Medical Policy Unit, Department of Social Services, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5067). Please reference “SPA 21-AA: Nursing Facility Reimbursement”.

Anyone may send DSS written comments about the SPA. Written comments must be received by DSS at the above contact information no later than July 29, 2021.

State: Connecticut

Methods and Standards for Establishing Payment Rates for Nursing Facilities

1. Nursing home rates increase by 4.5% for State Fiscal Year (SFYs) 2022 and 2023 for employee wage enhancements. If a facility receives a rate increase but does not enhance employee wages, the rate will decrease by the same amount as the rate increase.
2. Within a total pool of up to approximately \$30.8 million in SFY 2023, nursing home rates increase to enable the nursing homes to provide enhanced employee health care and pension benefits. If a facility receives a rate increase but does not provide enhanced health care and pension benefits, the rate will decrease by the same amount as the rate increase.
3. Within a total pool of up to approximately \$5 million for each of SFY 2022 and SFY 2023, the state implements a targeted rate increase to nursing homes to the extent necessary to enable implementation of a modification of the social work staff requirements in nursing homes to one full-time social worker per sixty residents for nursing homes that are not currently providing such staffing. This rate increase does not apply to nursing homes already providing such staffing.
4. Within a total pool of up to approximately \$85.84 million for SFY 2022, the state pays a temporary rate increase for nursing homes for a nursing home settlement.
5. Within a total pool of approximately \$1 million in each of SFY 2022 and SFY 2023, the state implements a targeted rate increase to nursing homes to the extent necessary to enable implementation of a minimum staffing level requirement for nursing homes of at least three hours of direct care per resident per day for nursing homes that are not currently providing such staffing. This rate increase does not apply to nursing homes already providing such staffing.

TN # 21-AA
Supersedes
TN # NEW

Approval Date _____

Effective Date 07/01/2021