

DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 22-AA: Chronic Disease Hospitals - Rate Increase for Ventilation Beds

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 from July 1, 2022 through June 30, 2023, this SPA will amend Attachment 4.19-A of the Medicaid State Plan in order to increase the reimbursement rate provided to chronic disease hospitals, as defined in section 19a-550 of the general statutes, by \$500.00 per day for beds provided to patients on ventilators.

The purpose of this change is to comply with state law in section 238 of Public Act No. 22-118, An Act Adjusting the State Budget for the Biennium Ending June 30, 2023. Specifically, that public act requires DSS to make the rate change set forth above effective during State Fiscal Year (SFY) 2023.

Fiscal Impact

DSS estimates that this SPA will increase annual aggregate expenditures by approximately \$2,053,792 in SFY 2023 and \$186,708 in SFY 2024.

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 22-AA: Chronic Disease Hospitals – Rate Increase for Ventilation Beds”.

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 28, 2022.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Connecticut

(3) Payment for Free-Standing Chronic Disease Hospitals

Effective November 1, 2013, freestanding chronic disease hospitals shall be reimbursed a hospital-specific, all-inclusive per diem rate based on Medicare reimbursement principals. The per diem rates for each freestanding chronic disease hospital were established at a percentage of, and shall not exceed, the average per diem reimbursement under Medicare for the cost year ending March 31, 2013. Per Diem rates shall be fixed and will not be subject to an annual inflation factor. Free-Standing Chronic Disease Hospital rates shall be inclusive of hospital-based professional services, both routine and ancillary services.

Effective July 1, 2021, per diem payments to freestanding chronic disease hospitals shall be:

Gaylord Hospital	\$950.89
Hospital for Special Care	\$1,156.84
Mount Sinai Rehabilitation Hospital	\$934.11

Effective July 1, 2022 through June 30, 2023, the per diem payments above will be increased by \$500.00 per day for beds provided to patients on ventilators.

In reimbursing out-of-state chronic disease hospitals, one of the following methodologies will be applied per mutual agreement: 1) a fixed percentage calculated based on the ratio between allowed cost for all Connecticut in-state hospitals and total customary charges, 2) the hospital's specific ratio of cost to charges using its most recent Medicare cost report, 3) the Medicaid rate established by the state of location, 4) the lowest in-state per diem rate or 5) a different methodology if required by federal law.