

**STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES**

Notice of Proposed Medicaid State Plan Amendment (SPA)

**SPA 23-0013: Private Intermediate Care Facilities for Individuals with Intellectual Disabilities
(ICF/IID) Supplemental Payment**

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 June 14, 2023 through June 30, 2023, DSS will make a one-time supplemental payment to each eligible privately operated Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID) from a total supplemental payment pool amount of \$5.6 million. Funding for each facility's payment out of that payment pool will be allocated to each facility based on the proportional Medicaid expenditure for each facility based on dates of service from July 1, 2022 through December 31, 2022. Only facilities with residents expected to be living in the facility as of June 30, 2023 will be eligible to receive funding. This funding is for Department of Developmental Services state-contracted providers who are also enrolled in Medicaid as ICF/IID providers to support wage enhancements and related benefits for ICF/IID employees who provide services for Medicaid members who are residents of the ICF/IID.

The purpose of this SPA is to provide the wage enhancements and related benefits for ICF/IID employees as described above to comply with subsection (d) of section 303 of House Bill 6941, An Act Concerning the State Budget for the Biennium Ending June 30, 2025, and Making Appropriations Therefor, and Provisions Related to Revenue and Other Items Implementing the State Budget, which has been passed by the state Senate and state House of Representatives and is anticipated to be signed into law shortly by the Governor. Note that the section may be renumbered by one or more amendments and so may be reflected as a different section number in the final public act version of this legislation.

DSS is currently analyzing the projected Upper Payment Limit (UPL) demonstration for SFY 2023. In general, the UPL is a federally required limit on Medicaid payment, which is a calculated amount using federally-specified Medicare cost principles, above which Medicaid federal financial participation (FFP) is not available. Depending on the specific results of the UPL demonstration, one or more portions of this SPA may be modified or removed to the extent necessary to ensure that Medicaid payments to ICF/IIDs remain within the UPL.

Fiscal Impact

This SPA will increase annual aggregate Medicaid expenditures by approximately \$5,600,000 in State Fiscal Year (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. Please reference: “SPA 23-0013: Private Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) Supplemental Payment.”

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than **June 28, 2023**.

**State Plan under Title XIX of the Social Security Act
State of Connecticut
Methods for Establishing Payment Rates – Intermediate Care Facilities for
Individuals with Intellectual Disabilities (ICF/IID)**

For the fiscal year ending June 30, 2022, except as otherwise provided below, rates shall not exceed those in effect for the fiscal year ending June 30, 2021, except pro rata fair rent increases will be provided to facilities that have documented fair rent additions placed in service in the cost report year ending September 30, 2020, that are not otherwise included in rates issued.

For the fiscal year ending June 30, 2022, fair rent increases will be provided to any facility that has undergone a material change in circumstances related to fair rent and has an approved certificate of need.

For the fiscal year ending June 30, 2022, rates are increased by 4.30% for the purpose of wage and benefit enhancements for employees of ICF/IID. Facilities that receive a rate adjustment for the purpose of wage and benefit enhancements but do not provide increases in employee salaries will be subject to a rate decrease in the same amount as the rate increase retroactive to the date of that rate increase.

For the fiscal year ending June 30, 2023, except as otherwise provided below, rates shall not exceed those in effect for the fiscal year ending June 30, 2022, except pro rata fair rent increases will be provided to facilities that have documented fair rent additions placed in service in the cost report year ending September 30, 2021, that are not otherwise included in rates issued.

For the fiscal year ending June 30, 2023, fair rent increases will be provided to any facility that has undergone a material change in circumstances related to fair rent and has an approved certificate of need.

For the fiscal year ending June 30, 2023, rates are increased by 4.5% for the purpose of wage and benefit enhancements for employees of ICF/IID. Facilities that receive a rate adjustment for the purpose of wage and benefit enhancements but do not provide increases in employee salaries will be subject to a rate decrease in the same amount as the rate increase retroactive to the date of that rate increase.

For fiscal year ending June 30, 2023, the minimum per diem, per bed rate for each private ICF/IID increases to \$501. Any private ICF/IID with a rate below such amount will be increased to that rate.

For the period of June 14, 2023 through June 30, 2023, the department shall make a one-time supplemental payment to each privately operated ICF/IID out of a total supplemental payment pool amount of \$5.6 million for the purpose of providing wage enhancements and related benefits for ICF/IID employees who provide services for Medicaid members who are residents of the ICF/IID. Funding for each facility's payment out of that payment pool will be allocated to each facility based on the proportional Medicaid payments to each facility out of total Medicaid payments to eligible privately-operated ICF/IIDs for dates of service from July 1, 2022 through December 31, 2022. Only facilities with residents expected to be living in the facility as of June 30, 2023 will be eligible to receive funding.

TN # 23-0013

Supersedes

TN # 22-0030

Approval Date _____

Effective Date 06/14/2023