

**STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES**

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 23-W: Chronic Disease Hospitals – Continuing Ventilation Bed Rate Add-On

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 at the bottom of this document.

Proposed Changes to Medicaid State Plan

Effective July 1, 2023, this SPA will amend Attachment 4.19-A of the Medicaid State Plan to maintain the \$500.00 per day add-on to the per diem rate for beds provided to patients on ventilators in free-standing licensed chronic disease hospitals, as defined in section 19a-550 of the Connecticut General Statutes. Under the current approved Medicaid State Plan and in accordance with 238 of Public Act No. 22-118, An Act Adjusting the State Budget for the Biennium Ending June 30, 2023, this add-on previously applied only during State Fiscal Year (SFY) 2023. DSS anticipates that the funding to support this rate add-on will be maintained, so the purpose of this SPA is to remove the end-date for the add-on in the Medicaid State Plan and support continued access and quality for these services.

Estimated Fiscal Impact

DSS estimates that maintaining the add-on for chronic disease hospital ventilation beds will increase annual aggregate expenditures by approximately \$11,000,000 in State Fiscal Year (SFY) 2024 and \$11,000,000 in SFY 2025.

Obtaining SPA Language and Submitting Comments

This proposed 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, at the Town of Vernon Social Services Department, or upon request from DSS (see below). When feasible and relevant, the versions of the SPA pages posted to that webpage include track changes indicating this SPA's proposed changes to the current version of the Medicaid State Plan.

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: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference "SPA 23-W: Chronic Disease Hospitals – Continuing Ventilation Bed Rate Add-On".

Anyone may send DSS written comments about the SPA. **Written comments must be received by DSS at the above contact information no later than June 8, 2023.**

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.

TN # 23-W

Supersedes

TN # 22-0026

Approval Date _____

Effective Date 07/01/2023