

**STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES**

**Notice of Proposed Medicaid State Plan Amendment (SPA)**

**SPA 23-W: Physician Services, Medical Equipment, Devices and Supplies (MEDS), and  
Home Health Services – Billing Code and Reimbursement Updates**

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, 2023, SPA 23-W will amend Attachment 4.19-B of the Medicaid State Plan to make the updates detailed below.

First, this SPA will incorporate various federal Healthcare Common Procedure Coding System (HCPCS) updates (additions, deletions and description changes) to the physician office and outpatient and medical equipment, devices and supplies (MEDS) (durable medical equipment [DME]; Orthotic and Prosthetic [O & P] and medical surgical supply [MSS]) fee schedules. Codes that are being added to each fee schedule are being priced using a comparable methodology to other codes in the same or similar category on the same fee schedule. For physician-administered drugs that are not priced on the July 2023 Medicare ASP Drug Pricing file and procedure codes that are described as “unclassified”, the drug will be priced at the lowest of:

- The usual and customary charge to the public or the actual submitted ingredient cost;
- The National Average Drug Acquisition Cost (NADAC) established by CMS;
- The Affordable Care Act Federal Upper Limit (FUL); or
- Wholesale Acquisition Cost (WAC) plus zero (0) percent when no NADAC is available for the specific drug.

Fee schedules are published at this link: <https://www.ctdssmap.com>, then select “Provider”, then select “Provider Fee Schedule Download,” then select the applicable fee schedule.

DSS is making these changes to ensure that these fee schedules remain compliant with the Health Insurance Portability and Accountability Act (HIPAA).

Second, this SPA will reflect rate increases of 4.9% for the following home health services: Healthcare Common Procedure Coding System (HCPCS) codes T1004 (Services of a qualified nursing aide, up to 15 minutes) and T1021 (Home Health aide or certified nurse assistant, per visit) provided by licensed home health agencies. The purpose of this change is to reflect that home

health agencies have increased costs in paying higher wages to home health aides in order to comply with the June 1, 2023 increase in the state's minimum wage.

Note that these provisions of proposed SPA 23-W are in addition to the provisions that were previously referenced in a public notice published in the May 9, 2023 issue of the Connecticut Law Journal.

### **Fiscal Impact**

DSS anticipates that the provisions of this SPA regarding the physician and MEDS fee schedule updates described above are unlikely to have a significant impact on annual aggregate expenditures.

DSS estimates that the home health rate increases described above will increase annual aggregate expenditures by approximately \$1,092,2361 in State Fiscal Year (SFY) 2024 and \$1,227,277 in SFY 2025.

### **Obtaining SPA Language and Submitting Comments**

The proposed SPA is posted on the DSS website 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).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: [Public.Comment.DSS@ct.gov](mailto: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: Physician Services, MEDS, and Home Health Services – Billing Code and Reimbursement Updates".

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 12, 2023**

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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(5) Physician's services – Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of physician's services. The agency's fee schedule rates were set as of ~~May 12~~July 1, 2023 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: <https://www.ctdssmap.com>. From this web page, go to "Provider," then to "Provider Fee Schedule Download," then select the applicable fee schedule.

Person-Centered Medical Home (PCMH) practices are individual sites of independent physician groups, solo physician practices, nurse practitioner groups, and individual nurse practitioners that have met National Committee for Quality Assurance (NCQA) Level 2 or Level 3 medical home recognition or NCQA medical home recognition under the 2017 or later NCQA standards (which do not recognize specific levels of recognition). PCMH practices must comply with all NCQA PCMH requirements and all additional written department requirements, including participation in various primary care initiatives operated by the State.

The department offers a PCMH Glide Path program, which pays enhanced rates to practices that are providing some of the additional Medicaid services required for NCQA PCMH recognition. In order to qualify for Glide Path, a practice must demonstrate that it has begun providing a more advanced standard of primary care and has committed to achieving NCQA PCMH recognition in a set period of time. Glide Path practices must also comply with all additional written department requirements, including participation in various primary care initiatives operated by the State.

Beginning January 1, 2012, PCMH and Glide Path practices may be eligible for a rate add-on to the procedure codes on the physician fee schedule identified below. PCMH practices may also be eligible for retrospective annualized supplemental payments for performance incentives and performance improvement. Independent physician-led Glide Path practices with five or fewer full-time equivalent practitioners across all practice locations may also be eligible for a supplemental payment at each Glide Path phase.

(a) Glide Path and PCMH Rate Add-On: The department will pay a rate add-on for the following procedures in addition to the amounts listed for each procedure code on the physician fee schedule: 99201, 99202, 99203, 99204, 99205, 99211, 99212, 99213, 99214, 99215, 99304, 99305, 99306, 99307, 99308, 99309, 99310, 99315, 99316, 99318, 99324, 99325, 99326, 99327, 99328, 99334, 99335, 99336, 99337, 99339, 99341, 99342, 99343, 99344, 99345, 99347, 99348, 99349, 99350, 99381, 99382, 99383, 99384, 99385, 99386, 99387, 99391, 99392, 99393, 99394, 99395, 99396, 99397, 99401, 99402, 99403, 99404, 99406, 99407, 99408, 99409, 99411, 99412, 99417, 99374, 99377, 99379, 99380, 96110, 99050, 99051, 99053, D0145,

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**7. Home Health Services –**

**(a) Intermittent or part-time nursing services provided by a home health agency or by a registered nurse when no home health agency exists in the area are provided with limitations.**

**(b) Home health aide services provided by a home health agency with limitations.**

**(c) Physical therapy, occupational therapy, or speech pathology and audiology services provided by a home health agency or medical rehabilitation facility are provided with limitations.**

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of home health services provided by a home health agency listed above in (a), (b), and (c). The agency's fee schedule rates were set as of ~~May 12~~July 1, 2023 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: <https://www.ctdssmap.com>. From this web page, go to "Provider," then to "Provider Fee Schedule Download," then select the applicable fee schedule.

Rate Increases and Supplemental Payments to Enhance, Expand, and/or Strengthen Home and Community-Based Services (HCBS), Implemented in accordance with the state's Spending Plan for Implementation of the American Rescue Plan Act of 2021, Section 9817, as updated (ARPA HCBS Spending Plan): General Requirements: All rate increases set forth below apply only to providers actively enrolled on the date payment is issued. As applicable, payments may be proportionally reduced to the extent necessary to remain within available funding approved under the ARPA HCBS Spending Plan. In addition to the fee schedule rate, effective August 1, 2021, the state pays a value-based payment rate add-on of up to 1% of the applicable rate for any home health service set forth in (a), (b), and (c) above in accordance with the following:

The first 1% performance payment will be paid on or before March 31, 2022 and is effective for and based on expenditures from August 1, 2021 through February 28, 2022 for each qualifying provider that meets the following standards:

- (a) Participation in the Department of Social Services Racial Equity Training – 80% of all supervisors employed by the agency must complete the first training by February 1, 2022; and,
- (b) Provider has Data Sharing Agreement executed with the state's Health Information Exchange (HIE) Payment methodology.

The second 1% performance payment will be paid on or before July 31, 2022 and is effective for and based on expenditures from March 1, 2022 through June 30, 2022 for each qualifying provider that meets the following standards:

- (a) Participation in Department of Social Services Racial Equity Training – 80% of all supervisors employed by the agency must complete the second training and 50% of all other staff employed by the agency must complete the first training; and,
- (b) Signing, at a minimum, the HIE Empanelment Use Case; and,
- (c) Action plan detailing how the provider sends their client roster in an approved format to the state's HIE.

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Home Health Services (Continued)

(d) **Medical supplies, equipment and appliances suitable for use in the home** – Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of medical supplies, equipment and appliances suitable for use in the home. The agency’s fee schedule rates were set as of ~~January~~July 1, 2023 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: <https://www.ctdssmap.com>. From this web page, go to “Provider,” then to “Provider Fee Schedule Download,” then select the applicable fee schedule. Over-the-counter products provided by pharmacies are reimbursed at Average Wholesale Price (AWP).

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(b) Prosthetic devices

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of prosthetic devices. The agency's fee schedule rates were set as of ~~February 1, 2021~~ July 1, 2023 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: <https://www.ctdssmap.com>. From this web page, go to "Provider," then to "Provider Fee Schedule Download," then select the applicable fee schedule.

(c) Eyeglasses

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of eyeglasses. The agency's fee schedule rates were set as of July 1, 2008 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: <https://www.ctdssmap.com>. From this web page, go to "Provider," then to "Provider Fee Schedule Download," then select the applicable fee schedule.

(d) Hearing Aids

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of hearing aids. The agency's fee schedule rates were set as of March 1, 2019 and are effective for services provided on or after that date. All rates are published on the Connecticut Medical Assistance Program website: <https://www.ctdssmap.com>. From this web page, go to "Provider," then to "Provider Fee Schedule Download," then select the applicable fee schedule. The price allowed for hearing aids shall be the actual acquisition cost of the hearing aid(s) to the provider, not to exceed the applicable rates on the Hearing Aid/Prosthetic Eye fee schedule.