

*Funding available in the enacted budget for the Medicaid Quality Improvement and Shared Savings Program (MQISSP) under SIM.*

Governor Malloy’s budget, released in February, proposed a state appropriation of \$1.035 million in FY16 and \$2.07 million in FY17 for supplemental payments to cover the costs of the clinical and community integration activities that FQHCs would be required to perform. As included in the Governor’s budget, these amounts represented the administration’s best estimate, as of February, of the state level of funding necessary to comply with the federal application.

This Spring, DSS and Project Management Office agreed to request authorization from CMS to delay implementation of MQISSP from January 2016 to July 2016 – making funding for MQISSP unnecessary in FY16.

The Appropriations Committee budget and the enacted budget adopted in P.A. 15-244 reduced the amount appropriated in each year by half to \$517,500 in FY16 and \$1.035 million in FY17.

In their May 11, 2015 letter to the Lieutenant Governor, the Community Health Center Association of Connecticut (CHCACT) expressed concern that the levels recommended in the Appropriations Committee budget were inadequate, stating: “Even if the project is scaled back to 50,000 Medicaid enrollees – a decision that could impact federal approval for the entire SIM project – advanced payments would equal only \$1.72/month/enrollee .... National studies validate that the median per member per month payment for programs similar to the services in SIM is \$3.62/month.” It appears, however, that their calculations do not factor in federal reimbursement.

To provide the necessary funding in FY17, the following language was included in Public Act 15-5 of the June Special Session:

Sec. 411. (*Effective from passage*) (a) The sum of \$517,500 appropriated to the Department of Social Services for the Medicaid shared savings program for community health centers in the fiscal year beginning July 1, 2015, shall not lapse on June 30, 2016. Such funds shall continue to be available for such purpose for the fiscal year ending June 30, 2017.

After factoring in the 100% federal reimbursement for HUSKY D, it is anticipated that \$4.2 million in total funding will be available in FY 17. Using the national median of \$3.62 cited by CHCACT, this amount is sufficient to support nearly 100,000 members, although numbers will vary depending on the per member per month (PMPM) payment and the members to be served:

FY 17 Funding			
State Share	\$1,552,500	PMPM	Members
Federal Share	2,647,500	\$7.00	50,000
Total	\$4,200,000	4.67	75,000
		3.62	96,685
		3.50	100,000
		2.33	150,000
		1.75	200,000