STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid and Children's Health Insurance Program

Substance Use Disorder Demonstration Waiver Extension Pursuant to Section 1115 of the Social Security Act

Connecticut is seeking federal approval to extend its Medicaid Substance Use Disorder (SUD) Demonstration Waiver, effective on April 1, 2027 to March 31, 2032. The Extension requests no changes to the SUD portion of the demonstration, except for a minor technical correction to the HUSKY A Medicaid eligibility group, for budget neutrality, to account for increased costs associated with non-SUD services. All pending amendments, including the amendment to implement a "Re- entry Initiative" to better support individuals' reentry from incarceration to the community (including addressing social determinants of health (SDoH) for individuals reentering the community) are proposed to be incorporated into the amendment (or extended authorization if the amendment is approved prior to the renewal).

Connecticut's Draft 1115 Demonstration Extension and public hearing information are posted to the Department of Social Services (DSS) website at this link: https://portal.ct.gov/dss/health-and-home-care/substance-use-disorder-demonstration-project?language=en_US
. Please check this website regularly for updates. **Public comment and public hearing information are included at the bottom of this notice**. The public comment period will be open for 30 days from December 17, 2025 to January 18, 2026.

Description of Demonstration Waiver

Pursuant to Section 17b-8 of the Connecticut General Statutes and 42 C.F.R. § 431.408, DSS provides notice that it intends to submit to CMS a SUD Demonstration Waiver Extension pursuant to Section 1115 of the Social Security Act for Connecticut's Medicaid Program and Children's Health Insurance Program (CHIP) (Demonstration). This Demonstration was originally approved on April 14, 2022, and was the result of a collaborative effort among various State agencies and other partners, including the three partner State agencies of the Connecticut Behavioral Health Partnership: DSS, Connecticut's single State agency for Medicaid and CHIP; the Department of Children and Families, the lead State agency for children's behavioral health; and the Department of Mental Health and Addiction Services, the single State agency for adult behavioral health. Connecticut's Medical Assistance Program (CMAP) includes the state's Medicaid program and CHIP.

The Demonstration was effective on April 14, 2022, upon CMS approval, and is a comprehensive project to enhance the state's SUD service system in accordance with federal guidance. The Demonstration enables federal financial participation (FFP) Medicaid and CHIP matching funds for individuals receiving SUD services residing in Institutions for Mental Diseases (IMDs) that would ordinarily not be covered under federal law.

The Demonstration implements CMS guidance for SUD 1115 demonstration waivers, set forth in CMS State Medicaid Director Letter (SMD) # 17-003, "Strategies to Address the Opioid Epidemic", posted on the CMS website at this link: https://www.medicaid.gov/federal-policy-guidance/downloads/smd17003.pdf. Additional information about SUD 1115 demonstrations, including a list of other states that have already established a SUD 1115 demonstration, is posted to the CMS website at this link: https://www.medicaid.gov/medicaid/section-1115-demonstrations/substance-use-disorder-section-1115-demonstration-opportunity.

The Re-entry Initiative portion of the Demonstration is the result of a collaborative effort among various State agencies and other partners, including DSS, Connecticut's single State agency for Medicaid and CHIP; the Department of Corrections, the single State agency for the administration of carceral facilities; the Judicial Branch, the Department of Developmental Disabilities, the Department of Children and Families, the Department of Housing, and the Department of Mental Health and Addiction Services, the lead State agency for adult behavioral health. On March 27, 2024, the State submitted an amendment application requesting authority for a reentry initiative and SDoH, and it is currently pending with CMS. The state is seeking the authorities detailed in the amendment application as a part of this extension. The Re-entry Initiative is intended to be effective on or after July 1, 2026, upon CMS approval, with a renewal under this Extension from April 1, 2027 through March 31, 2032.

The Re-entry Initiative implements the CMS' guidance for Re-entry 1115 demonstration waivers, set forth in CMS SMD #23-003, "Opportunities to Test Transition-Related Strategies to Support Community Reentry and Improve Care Transitions for Individuals Who Are Incarcerated", posted on the CMS website at this link: https://www.medicaid.gov/sites/default/files/2023-04/smd23003.pdf.

Consistent with CMS guidance on SDoH, which is posted to the CMS website at this link: https://www.medicaid.gov/medicaid/section-1115-demonstrations/health-related-social-needs, the State also intends to help address unmet needs related to a lack of adequate housing support:

(A) The program description, goals, and objectives to be implemented or extended under the demonstration project, including a description of the current or new beneficiaries who will be impacted by the demonstration.

SUD Program Description, Including Affected CMAP Members

CMAP enrollment did not change as a result of this Demonstration. As detailed above, the Demonstration enables CMAP coverage for individuals with SUD, who are residing in IMDs for which coverage would otherwise be prohibited under federal law. The Demonstration ensured that enhancements in the SUD service system are implemented. In accordance with CMS guidance, the Demonstration ensures a complete American Society of Addiction Medicine

(ASAM) levels of care service array is available as part of an essential continuum of care for Medicaid-enrolled individuals with opioid use disorder (OUD) and other SUDs.

Re-entry Initiative and SDoH Program Description

The Re-entry Initiative enables Medicaid coverage and FFP using Medicaid and CHIP matching funds for adults incarcerated in correctional centers (jails and courthouses) and correctional institutions (prisons), and youth detained in juvenile and community residential centers throughout the State receiving a targeted benefit package that would ordinarily not be covered under federal law. This Re-entry Initiative ensures a continuum of care strategy that enables robust coordination, service provision, and community connections after release.

The Social Determinants of Health (SDoH) program enables Medicaid coverage and FFP for the eligible reentry population using Medicaid and CHIP matching funds. Services to address SDoH include rent/temporary housing, utility costs, pre-tenancy and tenancy sustaining services, housing transition navigation services, one-time transition and moving costs, housing deposits, medically necessary equipment, and medically necessary home accessibility and remediation services. Connecticut also requests authority to claim FFP in SDoH infrastructure investments to support the development and implementation of justice-involved SDoH services, not to exceed 15% of the total justice-involved SDoH spend.

SUD Goals/Objectives

The Demonstration includes the following goals, all of which are designed to improve services and quality of life for CMAP members with SUD:

1. Increased rates of identification, initiation, and engagement in treatment for OUD and other SUDs;
2. Increased adherence to and retention in treatment for OUD and other SUDs;
3. Reductions in overdose deaths, particularly those due to opioids;
4. Reduced utilization of hospital emergency departments (EDs) and inpatient hospital settings for OUD and other SUD treatment, in which the utilization is preventable or medically inappropriate through improved access to other continuum of care services;
5. Fewer readmissions to the same or higher level of care, in which the readmission is preventable or medically inappropriate for OUD and other SUDs; and
6. Improved access to care for physical health conditions among beneficiaries with OUD or other SUDs.

There were 18,489 unique Medicaid individuals served under the Demonstration from Demonstration year 1 through the first quarter of Demonstration year 4. There were a non-material number of CHIP individuals who received services under the Demonstration.

Re-entry and SDoH Goals/Objectives

Consistent with the CMS goals as outlined in SMD #23-003, Connecticut's specific goals for the Re-entry and SDoH Initiatives are to:

1. Increase coverage, continuity of coverage, and appropriate service uptake through assessment of eligibility and availability of coverage for benefits in carceral settings just prior to release;
2. Improve access to services prior to release, and improve transitions and continuity of care into the community upon release and during reentry;
3. Improve coordination and communication between correctional systems, Medicaid systems, administrative services organizations, and community-based providers;
4. Increase additional investments in health care and related services aimed at improving the quality of care for beneficiaries in carceral settings and in the community to maximize successful reentry post-release;
5. Improve connections between carceral settings and community services upon release to address physical health, behavioral health, and SDoH;
6. Reduce all-cause deaths in the near-term post-release; and
7. Reduce the number of ED visits and inpatient hospitalizations among recently incarcerated Medicaid beneficiaries through increased receipt of preventive and routine physical and behavioral health care.

SDoH conditions contribute to poor health for individuals transitioning from correctional centers (jails and courthouses), correctional institutions (prisons), and juvenile and community residential centers throughout the state, and addressing them is key to successful reentry.

Current and New Beneficiaries Impacted by the Re-entry and related SDoH Initiative

To receive services under the Re-entry Initiative, including related services to address SDoH, a beneficiary must meet the following qualifying criteria:

- Meet the definition of an inmate of a public institution, as specified in 42 CFR 435.1010, and be incarcerated in a State correctional system, including all correctional centers (jails and courthouses) and correctional institutions (prisons), and juvenile and community residential centers; and
- Be enrolled in Medicaid or otherwise eligible for CHIP, if not for their incarceration status; and
- Identified as expected to be released in the next 90 days and identified for participation in the Demonstration; AND
- Have one of the following conditions:

- Is an individual incarcerated in a juvenile and/or community residential center; or
- Is an adult and meets one or more of the following diagnosis or population requirements:
    - Mental illness;
    - SUD;
    - Co-occurring mental illness/SUD;
    - Chronic condition or significant non-chronic clinical condition;
    - Intellectual disability;
    - Acquired brain injury, including traumatic brain injury;
    - Positive test or diagnosis of HIV/AIDS; or
    - Currently pregnant or within a 12-month postpartum period.

Individuals deemed a “qualified inmate” will have eligibility determined for the appropriate Medicaid program for which they meet eligibility requirements. For example, if a “qualified inmate” meets the eligibility criteria for the Adult Expansion Medicaid program, then they would be enrolled in that specific Medicaid program.

A “qualified inmate” must meet general Medicaid program requirements. These include:

1. Must be a Connecticut resident;
2. Must be a US Citizen or qualified alien; and
3. Must meet the income and asset standards for the applicable Medicaid program.

Possible Medicaid programs include, but are not limited to:

1. Temporary Assistance for Needy Families or related groups, including children, parents, caretaker relatives and pregnant women (HUSKY A)
2. CHIP (HUSKY B)
3. Aged, blind, or disabled Medicaid or related groups (HUSKY C)
4. Adult Expansion Medicaid (HUSKY D)

(B) To the extent applicable, the proposed health care delivery system and the eligibility requirements, benefit coverage, and cost-sharing (premiums, co-payments, and deductibles) required of individuals that will be impacted by the Demonstration, and how such provisions vary from the State's current program features.

SUD

The Demonstration did not change the underlying HUSKY health program; in particular, it did not change the current CMAP fee-for-service delivery system, eligibility requirements, covered services, or cost-sharing. Connecticut's Medicaid program currently does not include any cost sharing. Connecticut's CHIP includes specified cost sharing for certain services.

The Demonstration did not change covered benefits, except that Connecticut was able to claim FFP to the state for individuals with SUD residing in IMDs. DSS submitted a Medicaid State Plan Amendment (SPA) during the Demonstration period to cover residential and inpatient treatment, as well as all levels of withdrawal management (ASAM levels 1 WM, 2-WM, 3.1, 3.2-WM, 3.3, 3.5, 3.7, 3.7 WM, 4).

Re-Entry and SDoH

The Re-entry Initiative does not change the underlying Medicaid program or CHIP; in particular, it does not change the current Connecticut fee-for-service delivery system, eligibility requirements, covered services, or cost sharing. Cost-sharing requirements do not differ from those provided under the State Plan for either Medicaid or CHIP.

The pre-release services authorized under the Re-entry Initiative include the provision or facilitation of pre-release services for a period of up to 90 days immediately prior to the expected date of release, including the facility's ability to support the delivery of services furnished by providers in the community that are delivered via telehealth. All facilities must implement service level one, which includes the minimum CMS benefits. The State may begin claiming FFP for services covered through the initiative, expected to begin on or after July 1, 2026.

Service level one includes the following:

- Reentry transitional case management services to assess and address physical and behavioral health needs and SDoH;
- Medication-assisted treatment, for all Food and Drug Administration-approved medications, including coverage for counseling;
- Covered outpatient, prescribed medications and over-the-counter drugs (a minimum 30-day supply as clinically appropriate, consistent with the approved Medicaid and CHIP State Plans) provided to the individual immediately upon release from the correctional facility *(note: medications under this service are reimbursed under State Plan authority and not the Demonstration)*;
- Medications and medication administration;
- Screening for common health conditions within the incarcerated population,

such as blood pressure, diabetes, hepatitis C, and HIV/AIDS; and

- Diagnosis and treatment for hepatitis C.

Additional service levels may include the following services currently covered under the Connecticut Medicaid and CHIP State Plans:

- Physical and behavioral health clinical consultation services provided through telehealth or in-person, as needed, to diagnose health conditions, provide treatment, as appropriate, and support pre-release case managers' development of a post- release treatment plan and discharge planning;
- Laboratory and radiology services;
- Family planning services;
- Rehabilitative or preventive services to the extent covered under the Medicaid State Plan, including those provided by community health workers, as applicable; and
- Provision of durable medical equipment and/or supplies, as well as durable medical equipment upon release, consistent with approved State Plan coverage authority and policy.

Allowable SDoH services for the Justice involved population include:

- Rent/temporary housing for up to six months, specifically for individuals transitioning from correctional centers (jails and courthouses) and correctional institutions (prisons), and juvenile and community residential centers throughout the state;
- Pre-tenancy and tenancy sustaining services, including tenant rights education and eviction prevention;
- Housing transition navigation services;
- Utility costs, including first and last month's utility deposits, activation expenses, and back payments to secure utilities, are limited to individuals receiving rent/temporary housing as described above;
- One-time transition and moving costs (e.g., security deposit, first month's rent, movers, relocation expenses, pest eradication, pantry stocking, and the purchase of household goods and furniture);
- Housing deposits to secure housing, including application and inspection fees and fees to secure needed identification;
- Medically necessary air conditioners, heaters, humidifiers, air filtration devices, generators, and refrigeration units, as needed, for medical treatment and prevention; and
- Medically necessary home accessibility modifications and remediation services such as ventilation system repairs/improvements and mold/pest remediation.

Administrative FFP will be available for the following activities related to justice-involved infrastructure development:

- Technology (e.g., electronic referral systems, shared data platforms, electronic health records system modifications or integrations, screening tools and/or case management systems, databases/data warehouses, data analytics and reporting, data protection and privacy, accounting and billing systems);
- Development of business or operational practices (e.g., procurement and planning, developing policies and workflows for referral management, privacy, quality improvement, trauma-informed practices, evaluation, and member navigation);
- Workforce development (e.g., cultural competency training, trauma-informed care training, traditional health worker certification, and training staff on new policies and procedures); and
- Outreach, education, and stakeholder convening (e.g., design and production of outreach and education materials, translation, obtaining community input, and investments in stakeholder convening).

DSS will determine when each applicable facility is ready to participate in the Re-entry Initiative based on a facility-submitted assessment (and appropriate supporting documentation) of the facility's readiness to implement:

1. Pre-release Medicaid and CHIP application and enrollment processes for individuals who are not enrolled in Medicaid or CHIP prior to incarceration and who do not otherwise become enrolled during incarceration;

2. The screening process to determine a beneficiary's qualification for pre-release services;

3. The provision or facilitation of pre-release services for a period of up to 90 days immediately prior to the expected date of release, including the facility's ability to support the delivery of services furnished by providers in the community that are delivered via telehealth. If a facility is not equipped to provide or facilitate the full set of pre-release services, the facility must provide a timeline of when it will be equipped to do so, including concrete steps and their anticipated completion dates that will be necessary to ensure that qualifying beneficiaries are able to receive timely any needed pre-release services;

4. Coordination among partners with a role in furnishing health care, housing, and SDoH services to beneficiaries, including, but not limited to, State agencies and State-contracted providers, as well as administrative services organizations, other behavioral health agencies, and community-based providers, including federally qualified health centers;

5. Appropriate reentry planning, pre-release care management, and assistance with care transitions to the community, including connecting beneficiaries to physical and behavioral health providers and the administrative services organizations; making referrals to care management and community support providers that take place throughout the 90-day pre-release period; and providing beneficiaries with covered

outpatient, prescribed medications and over-the-counter drugs (a minimum 30-day supply as clinically appropriate, consistent with the approved Medicaid and CHIP State Plans);

6. Operational approaches related to implementing certain Medicaid and CHIP requirements, including, but not limited to, applications, suspensions, notices, fair hearings, reasonable promptness for coverage of services, and any other requirements specific to receipt of pre-release services by qualifying individuals under the Re-entry Initiative;
7. A data exchange process to support the care coordination and transition activities;
8. Reporting of requested data from DSS to support program monitoring, evaluation, and oversight; and
9. A staffing and project management approach for supporting all aspects of the facility's participation in the Re-entry Initiative, including information on the qualifications of the providers that the correctional system will partner with for the provision of pre-release services.

(C) An estimate of the expected increase or decrease in annual enrollment, and in annual aggregate expenditures, including historic enrollment or budgetary data, if applicable. This includes a financial analysis of any changes to the demonstration requested by the State in its extension request.

SUD

The Demonstration did not change annual CMAP enrollment or CMAP eligibility requirements. The Demonstration did not change the annual aggregate Medicaid and CHIP expenditures because it complied with federal budget neutrality requirements for SUD 1115 demonstration waivers. Utilization of Medicaid State Plan-covered services for individuals who receive SUD treatment services in an IMD was authorized only when DSS or its designee determined the admission and continued stay in a residential setting was medically necessary, including consideration of consistency with ASAM placement criteria and all other applicable requirements. Changes in the Medicaid State Plan-covered services and reimbursement were submitted in a separate SPA, as noted above, and any fiscal impact of those changes was part of the SPA, not this Demonstration.

Federal law in section 1115 requires the Demonstration to be budget-neutral to the federal government. In SMD #18-009, "Budget Neutrality Policies for Section 1115(a) Medicaid Demonstration Projects", posted on the CMS website at this link: https://www.medicaid.gov/federal-policy-guidance/downloads/smd18009.pdf, CMS set forth budget-neutrality guidance for Section 1115 demonstration waivers. CMS notes in SMD #18-009 (p. 6) that it has approved Medicaid payments for services to individuals residing in an IMD primarily to receive treatment for SUD, which would otherwise be coverable by Medicaid but for the federal law exclusion on Medicaid coverage for

services in an IMD, as hypothetical expenditures. CMS applies hypothetical expenditures to a budget-neutrality test in which with-waiver and without-waiver costs are treated as the same, meaning the State is not required to account for separate savings to offset costs that would already be federally coverable under Medicaid but for the IMD exclusion.

Federal budget neutrality for this Demonstration was determined using per-member per-month CMAP expenditures for SUD IMD services for the following Medicaid Eligibility Groups within CMAP: HUSKY A (children and caretaker adult coverage groups), HUSKY C (aged, blind, and disabled coverage groups), and HUSKY D (low-income, adult Medicaid expansion coverage groups). HUSKY B (CHIP) expenditures were determined to be non-material and not included in the budget-neutrality test. The renewal application included a financial analysis of budget neutrality. The extension application includes a requested change to Husky A PMPMs.

Re-entry and SDoH

Prior to the Demonstration, Medicaid did not reimburse for medical services for adults incarcerated in correctional centers (jails and courthouses) or correctional institutions (prisons), nor for youth detained in juvenile and community residential centers (except for services provided while such individuals are patients in a medical institution, as authorized under Section 1905 of the Social Security Act). Under the Demonstration, through the Demonstration period ending March 31, 2032, there are 277,348 member months (approximately 26,000 individuals annually) that will receive a targeted benefit package 90 days pre-release, costing approximately $1,477.54 per member per month. Ninety percent (90%) of all adults are expected to be in the HUSKY D eligibility category. Ten percent (10%) of adults are expected to be in the HUSKY A or HUSKY C eligibility categories. Out of the 26,000 individuals, 750 individuals are youth expected to be split between HUSKY A and C eligibility categories, with very few youth anticipated to be in the HUSKY C eligibility categories. A non-material number of youth are expected to be in HUSKY B (CHIP).

For SDoH, the Demonstration is projected to serve around 20% of individuals exiting Department of Corrections and JB-CSSD facilities. Those individuals can receive one-time only services, such as community transition services, rent/temporary housing for up to six months, and other services, such as tenancy sustaining support, for longer periods following discharge from the facility if Medicaid eligibility is maintained and the need for the SDoH support continues. It is estimated that there will be approximately 160,545 member months receiving services under the Demonstration Extension. The Demonstration estimates that rental assistance per person averages $5,000 per person, tenancy supports average $10,000 per person, and community transition services are capped at $2,000 per person.

	Current	Future
Justice-involved Enrollment Member Months	$0	277,348
Justice-involved Services	$0	$471,005,568
Justice-involved Non-Services	$0	$232,215,917
Justice-involved SDoH Enrollment Member Months	$0	160,545
Justice-involved SDoH Services Total	$0	$249,968,565
Justice-involved SDoH Infrastructure	$0	$44,112,100

(D) The hypothesis and evaluation parameters of the demonstration.

SUD

Through a contract with an independent contractor, the State conducted an independent evaluation to measure and monitor the outcomes of the Demonstration in accordance with CMS guidance, focusing on the key goals and milestones of the Demonstration. It evaluated whether the CMAP SUD treatment system was more effective through a provision of a complete coordinated continuum of care using ASAM placement criteria and standards, including SUD residential treatment services. The researchers assessed the impact of providing the full continuum of SUD treatment services, particularly residential treatment, on hospital ED utilization, inpatient hospital utilization, and readmission rates. The Interim Demonstration Evaluation is included with the renewal and is available on the State's website.

Re-entry and SDoH

After approval, with the help of an independent evaluator, the State will amend the approved SUD evaluation plan for evaluating the hypotheses indicated below and analyze the outcomes related to the goals under the Demonstration articulated above. Connecticut will calculate and report all performance measures under the Demonstration. The State will submit the updated SUD evaluation plan to CMS for approval.

As detailed below, the State will conduct ongoing monitoring of this Demonstration related to the five reentry milestones as required in CMS guidance referenced above (including SMD #23-003), as well as the three SDoH tests required by the CMS SDoH guidance referenced above and will provide information regarding monitoring activities in the required quarterly and annual monitoring reports.

By providing Medicaid coverage prior to an individual's release from incarceration, the State will be able to bridge relationships between community-based Medicaid providers and justice-involved populations prior to release, thereby improving the likelihood that individuals with a history of behavioral health conditions and/or chronic diseases will receive stable and continuous care. The following hypotheses and goals will be tested during the approval period:

Hypotheses: The full 90-day timeline will enable the State to support pre-release identification, stabilization, and management of certain serious physical and

behavioral health conditions that may respond to ambulatory care and treatment (e.g., diabetes, heart failure, hypertension, schizophrenia, SUDs), which could reduce post-release acute care utilization.

By allowing early interventions to occur in the full 90-day period immediately prior to expected release, such as for certain behavioral health conditions, and including stabilizing medications like long-acting injectable antipsychotics and medications for addiction treatment for SUDs, Connecticut expects that it will be able to reduce decompensation, suicide-related deaths, overdoses, and overdose-related deaths in the near-term post-release.

Questions: The State will test, and comprehensively evaluate through robust hypotheses testing, the effectiveness of the extended full 90-day coverage period before the beneficiary's expected date of release on achieving the articulated goals of the initiative:

1. Increase coverage, continuity of coverage, and appropriate service uptake through assessment of eligibility and availability of coverage for benefits in carceral settings just prior to release;
2. Improve access to services prior to release and improve transitions and continuity of care into the community upon release and during reentry.
3. Improve coordination and communication between correctional systems, Medicaid systems, administrative services organizations, and community-based providers;
4. Increase additional investments in health care and related services, aimed at improving the quality of care for beneficiaries in carceral settings and in the community to maximize successful reentry post-release.
5. Improve connections between carceral settings and community services upon release to address physical health, behavioral health, and SDoH.
6. Reduce all-cause deaths in the near-term post-release; and
7. Reduce the number of ED visits and inpatient hospitalizations among recently incarcerated Medicaid beneficiaries through increased receipt of preventive and routine physical and behavioral health care.

Additionally, the State will test, and comprehensively evaluate through robust hypotheses testing, the effectiveness of SDoH in achieving the articulated goals of the initiative:

1. Address unmet SDoH;
2. Reduce potentially avoidable, high-cost services (e.g., ED visits, institutional care); and/or
3. Improve physical and mental health outcomes for beneficiaries.

Data Source: Claims/encounter data.

Evaluation Design: Independent evaluator will design quantitative and qualitative measures to include quasi-experimental comparisons and interrupted time series analysis.

(E) The specific waiver and expenditure authorities.

The specific waiver and expenditure authorities necessary to implement this demonstration are those that allow for the State to receive Medicaid and CHIP FFP for otherwise covered services furnished to otherwise eligible individuals, who are receiving treatment and withdrawal management services for SUDs in an IMD, which, absent this waiver, are not coverable in accordance with federal law.

The State seeks such waiver authority, as necessary under the Demonstration, to receive FFP on costs not otherwise matchable for services rendered to individuals who are incarcerated 90 days prior to their release. The State also requests the following proposed waivers and expenditure authority to operate the Demonstration.

Waivers Requested:

Waiver Authority	Reason and Use of Waiver Authority Will Enable the State To:
State-wideness Section 1902(a)(1) 42 CFR 431.50	To enable the State to provide pre-release services, as authorized under this Demonstration, to qualifying beneficiaries on a geographically limited basis according to the statewide implementation phase-in plan, in accordance with the Re-entry Initiative implementation plan. To enable the state to cover SDoH services on a geographically limited basis during the phase-in process.
Amount, Duration, and Scope of Services and Comparability Section 1902(a)(10)(B) 1902(a)(17)	To enable the State to provide only a limited set of pre-release services, as specified in these STCs, to qualifying beneficiaries that are different from the services available to all other beneficiaries outside of carceral settings in the same eligibility groups authorized under the State Plan or the Demonstration. To the extent necessary, to allow the State to offer the justice-involved SDoH services based on service delivery systems that are not otherwise available to all beneficiaries in the same eligibility group during the phase-in process.
Freedom of Choice Section 1902(a)(23)(A) 42 CFR 431.51	To enable the State to require qualifying beneficiaries to receive pre-release services, as authorized under this Demonstration, through only certain providers.

Expenditure Authority Requested:

Expenditure Authority	Reason and Use of Waiver Authority Will Enable the State To:
Expenditures Related to Pre-Release Services	Expenditures for pre-release services, as described in the STCs to be established by CMS, are provided to qualifying Medicaid/CHIP beneficiaries and beneficiaries who would be eligible to receive Medicaid/CHIP-covered services if not for their incarceration status for up to 90 days immediately prior to the expected date of release from a participating State correctional system facility, including all correctional centers (jails and courthouses) and correctional institutions (prisons), and juvenile and community residential centers.
Expenditures for Allowable Administrative Costs to Support the Implementation of Pre-Release Services	Expenditures for allowable administrative costs to support the implementation of pre-release services as outlined in the April 17, 2023, SMD letter #23-003 relating to administrative information technology and transitional, non-service expenditures, including administrative costs under an approved cost allocation plan.
Social Determinants of Health (SDoH)	Expenditures for approved evidence-based SDoH services not otherwise eligible for Medicaid/CHIP payment furnished to individuals who meet the qualifying justice-involved and SDoH criteria.
SDoH Services Infrastructure	Expenditures for allowable administrative costs and infrastructure not otherwise eligible for Medicaid/CHIP payment, to the extent such activities are authorized as part of the approved SDoH infrastructure activities.

Where the Demonstration is Posted

The Demonstration Extension and related materials, including the Demonstration Waiver Extension, Interim Evaluation, and Budget Neutrality Summary, are posted on the DSS website at this link: https://portal.ct.gov/DSS/Health-And-Home-Care/Substance-Use-Disorder-Demonstration- Project. Paper or electronic copies of the extension application and related materials may be obtained by emailing a request to Public.Comment.DSS@ct.gov or by writing to DSS, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. The proposed Demonstration Extension and related materials may also be obtained upon request at any DSS field office or the Town of Vernon Social Services Department.

Where and When to Submit Written Comments

To send comments about the Demonstration Extension, 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. In any correspondence, please reference “SUD 1115 Demonstration Waiver Extension.” Please also send any other questions about the Demonstration to this contact information, including requests for a copy of the

Demonstration (and/or related materials).

Anyone may send DSS written comments about the Demonstration Extension. Written comments must be received by DSS at the above contact information no later than January 18, 2026 (which is more than 30 days after the date of the publication of this notice in the Connecticut Law Journal). Please note that comments received will also be posted to the same website referenced above.

Public Hearings

In addition to the opportunity for anyone to send DSS written comments noted above, there will also be one in-person hearing (with an optional virtual platform for people to attend remotely) and one electronically convened public hearing to afford anyone the opportunity to provide DSS with verbal comments. Members of the public will be invited to make comments in person, via the telephone or the virtual platform, Zoom as follows:

Public Hearing with optional virtual Webinar Hosted by DSS

December 22, 2025

Time: 10:00 A.M. – 12:00 P.M.

In-person at: 55 Farmington Avenue, First Floor, Room 1011, Hartford, CT 06105.

Web Conference/Teleconference:

Topic: Substance Use Disorder Demonstration Waiver Extension Public Hearing

Join Zoom Meeting

https://us06web.zoom.us/j/86785379034?pwd=WKIMSuKbiUuDK2Dun4TXSnBB0B3r2z.1

Meeting ID: 867 8537 9034

Passcode: 988428

One tap mobile

+13017158592,,86785379034#,,,,*988428# US (Washington DC)

+13052241968,,86785379034#,,,,*988428# US

Join instructions
https://us06web.zoom.us/meetings/86785379034/invitations?signature=9yOtksi4kL1dnL-QybU-89TMqQE1JfziiQgIIWNSIM8

Public Hearing Convened by the Connecticut General Assembly Medical Assistance Program Oversight Council

January 9, 2026

Time: 1:00 P.M. – 3:30 P.M.

Join Zoom Meeting

https://zoom.us/j/97350054937?pwd=JCoO97AjaR2cbVSgXNEZjAx5lV2nt2.1

Meeting ID: 973 5005 4937

Passcode: 919295

One tap mobile:

+19292056099,,97350054937#,,,,*919295# US (New York)

+13017158592,,97350054937#,,,,*919295# US (Washington DC)

Join instructions
https://zoom.us/meetings/97350054937/invitations?signature=saH8AktJXumdvo7QBKhrk2VkzH_OLQYL9ZZxfXxE1nU