

## **Table of Contents**

**State/Territory Name: CT**

**State Plan Amendment (SPA) #: 14-032**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-26-12  
Baltimore, MD 21244-1850



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**Financial Management Group**

Roderick L. Bremby, Commissioner  
Department of Social Services  
25 Sigourney Street  
Hartford, CT 06106-5033

MAR 06 2015

RE: Connecticut 14-032

Dear Mr. Bremby:

We have reviewed the proposed amendment to Attachments 4.19-A, of your Medicaid State plan submitted under transmittal number (TN) 14-032. This amendment revises reimbursement for inpatient hospital services. Specifically, it modifies the target amount per discharge for the new entity created by the merger of Danbury Hospital and New Milford Hospital.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a) and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447. We are pleased to inform you that Medicaid State plan amendment 14-032 is approved effective November 1, 2014. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Novena James-Hailey at (617) 565-1291.

Sincerely,

Timothy Hill  
Director

A handwritten signature in black ink, appearing to be "Timothy Hill", written over the printed name and title.

|  |   |              |
|--|---|--------------|
| <b>TRANSMITTAL AND NOTICE OF APPROVAL<br/>OF STATE PLAN MATERIAL<br/>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>   | 1. TRANSMITTAL NUMBER:<br>14-032  | 2. STATE: CT |
|  | 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE<br>SOCIAL SECURITY ACT (MEDICAID) |              |
| TO: REGIONAL ADMINISTRATOR, CENTERS FOR MEDICARE<br>AND MEDICAID SERVICES<br>DEPARTMENT OF HEALTH AND HUMAN SERVICES   | 4. PROPOSED EFFECTIVE DATE<br>11/01/2014                                      |              |
| 5. TYPE OF STATE PLAN MATERIAL (Check One):<br><br><input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT |   |              |

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

|   |   |
|---|---|
| 6. FEDERAL STATUTE/REGULATION CITATION:<br>Section 1905 (a)(1) of the Social Security Act<br>42 CFR 440.10 and 42 CFR 447.253(a)(b)and(c) | 7. FEDERAL BUDGET IMPACT:<br>a. FFY 2015 \$0<br>b. FFY 2016 \$0   |
| 8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:<br>Attachment 4.19-A, pages 1(ii)-(iii)   | 9. PAGE NUMBER OF THE SUPERSEDED PLAN<br>SECTION OR ATTACHMENT (If applicable)<br>Attachment 4.19-A, page 1(ii)-(iii) |

10. SUBJECT OF AMENDMENT:  
Effective November 1, 2014, this SPA amends attachment 4.19-A of the Medicaid State Plan to reflect a new inpatient target amount per discharge (target) for the new entity created by the merger of Danbury Hospital and New Milford Hospital. The new target is the weighted average of the current targets for each hospital. Therefore, there is no anticipated fiscal impact from this SPA.

11. GOVERNOR'S REVIEW (Check One):  
 GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCL  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL  
 OTHER, AS SPECIFIED:

|   |   |
|---|---|
| 12. SIGNATURE OF STATE AGENCY OFFICIAL:<br> | 16. RETURN TO:<br><br>State of Connecticut<br>Department of Social Services<br>55 Farmington Avenue, 9 <sup>th</sup> Floor<br>Hartford, CT 06105<br>Attention: Ginny Mahoney, Medical Policy Unit |
| 13. TYPED NAME: Roderick L. Bremby          |   |
| 14. TITLE: Commissioner                     |   |
| 15. DATE SUBMITTED:<br>December 30, 2014    |   |

|   |                                    |
|---|------------------------------------|
| FOR REGIONAL OFFICE USE ONLY                |                                    |
| 17. DATE RECEIVED                           | 18. DATE APPROVED: MAR 06 2015     |
| PLAN APPROVED - ONE COPY ATTACHED           |                                    |
| 19. EFFECTIVE DATE OF APPROVAL: NOV 01 2014 | 20. SIGNATURE OF REGIONAL OFFICIAL |
| 21. TYPED NAME: KRISTEN FAN                 | 22. TITLE: Deputy Director, FMS    |
| 23. REMARKS                                 |                                    |

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Connecticut

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Methods and Standards for Establishing Payment Rates - Inpatient Hospital Care (continued)

(with addition of ten percent incentive, if applicable) increased by 6.5%; or (2) 80% of the cost per discharge per the 2005 cost report filings, but not to exceed \$10,750 per discharge or 142.5% of the 2007 Medicaid Cost Per Discharge (with addition of ten percent incentive, if applicable). Hospitals qualifying for an allowable cost per discharge increase under (1) or (2), shall not receive the ten percent incentive identified in Section 4005 of Public Law 101-508.

Effective April 1, 2009, general acute care hospital inpatient rates shall be adjusted for admissions that meet the criteria established in section 1(k) of the Addendum to Attachments 3.1-A and 3.1-B, Page 1(b). The methodology is as follows:

1. Hospitals are required to run all Medicaid claims through a Medicare diagnosis-related grouper to determine the Medicare payment amount with and without the present on admission indicator.
2. Hospitals are required to report to the Department all Medicaid claims with a present on admission indicator where Medicare payment was reduced. The report shall include the payment amount with the indicator and the payment amount without the indicator.
3. The Department will calculate the Medicare payment reduction percentage and apply this same percentage reduction to the Medicaid allowed amount per discharge during the annual cost settlement.

Effective November 1, 2014, inpatient hospital target amounts per discharge excluding DSH add-on for hospitals qualifying under page 3, section 4, shall be:

|                 | <u>Target</u> |
|-----------------|---------------|
| BACKUS          | \$4,201.23    |
| BRIDGEPORT      | \$5,356.54    |
| BRISTOL         | \$3,590.39    |
| DANBURY         | \$5,403.31    |
| DAY KIMBALL     | \$3,866.90    |
| DEMPSEY         | \$10,142.98   |
| GREENWICH       | \$5,874.16    |
| GRIFFIN         | \$4,225.19    |
| HARTFORD        | \$6,694.01    |
| HOSP OF CEN. CT | \$4,170.67    |
| HUNGERFORD      | \$4,100.33    |
| JOHNSON         | \$3,225.21    |
| LAWRENCE MEM.   | \$4,520.92    |
| MANCHESTER      | \$4,842.67    |
| MIDSTATE        | \$3,900.75    |
| MIDDLESEX       | \$4,546.39    |
| MILFORD         | \$3,822.82    |
| NORWALK         | \$5,803.77    |

TN # 14-032  
Supersedes  
TN # 14-010

Approval Date: 11/06/2013

Effective Date: 11/01/2014

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of Connecticut

|                |            |
|----------------|------------|
| ROCKVILLE      | \$3,679.08 |
| SAINT FRANCIS  | \$5,598.69 |
| SAINT MARY     | \$5,052.14 |
| SAINT VINCENT  | \$5,190.27 |
| SHARON         | \$3,447.13 |
| STAMFORD       | \$4,568.92 |
| WATERBURY      | \$4,868.02 |
| WINDHAM        | \$3,828.28 |
| YALE-NEW HAVEN | \$5,807.17 |

Effective January 1, 2012, the per diem rate for general acute care children's hospitals, defined as any hospital which, on January 1, 2012, is within the class of hospitals licensed by the Department of Public Health as children's general hospitals, shall be:

|  |            |
|--|------------|
|  | Per Diem   |
| CONNECTICUT<br>CHILDREN'S MEDICAL<br>CENTER (CCMC) | \$2,172.85 |

Effective September 12, 2012, inpatient hospital psychiatric per diem rates for children under 19 years of age will differentiate between medically necessary acute days and medically necessary discharge delay days. Such rates shall be as follows:

|             | Child Psychiatric<br>Inpatient Per Diem |   |
|-------------|---|---|
|             | Medically<br>Necessary Acute<br>Days    | Medically<br>Necessary<br>Discharge<br>Delay Days |
| BACKUS      | \$677.78                                | \$576.11  |
| BRIDGEPORT  | \$765.34                                | \$650.54  |
| BRISTOL     | \$721.54                                | \$613.31  |
| CCMC        | \$1,730.25                              | \$1,470.71  |
| DANBURY     | \$742.18                                | \$630.86  |
| DAY KIMBALL | \$623.80                                | \$530.23  |
| DEMPSEY     | \$776.29                                | \$659.85  |
| GREENWICH   | \$649.78                                | \$552.31  |
| GRIFFIN     | \$728.08                                | \$618.87  |
| HARTFORD    | \$854.66                                | \$726.46  |

TN# 14-032  
Supersedes  
TN# 14-010

Approval Date ~~MAR 06 2013~~

Effective Date: 11/01/2014