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State/Territory Name: CT

State Plan Amendment (SPA) #: 19-0022

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 & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



Financial Management Group

December 10, 2019

Kathleen Brennan, Deputy Commissioner
Department of Social Services
55 Farmington Avenue, 9th Floor
Hartford, CT 06105-3730

RE: Connecticut 19-0022

Dear Deputy Commissioner Brennan:

We have reviewed the proposed amendment to Attachment 4.19-D, of your Medicaid State Plan submitted under transmittal number (TN) 19-0022. Effective July 1, 2019, this amendment revises reimbursement to nursing facility services. Specifically, it rebase rates utilizing 2018 cost reports and provides for incremental rate increases to support compensation of employees working at nursing facilities.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) 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 19-0022 is approved effective July 1, 2019. 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,



Kristin Fan
Director

cc:
Avery Stahlecker
Novena James-Hailey

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES	1. TRANSMITTAL NUMBER: 19-0022	2. STATE: CT
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR, CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2019	
5. TYPE OF STATE PLAN MATERIAL (Check One): <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: Section 1905(a)(4)(A) of the Social Security Act and 42 CFR 440.40(a) and 447.253(a) and (b)	7. FEDERAL BUDGET IMPACT: a. FFY 2019 \$2.6 million b. FFY 2020 \$7.8 million
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-D, Page 59(c)(1)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If applicable) Attachment 4.19-D, Page 59(c)(1)

10. SUBJECT OF AMENDMENT: Effective July 1, 2019, SPA 19-0022 amends Attachment 4.19-D of the Medicaid State Plan as follows. Effective July 1, 2019, this SPA increases nursing facility rates by 2% and effective October 1, 2020 and January 1, 2021, rates will again increase by 1% on each date. This increases are intended to support a permanent increase of no less than 2%, 1%, and 1%, respectively, in aggregate, to the compensation of employees working at the nursing facilities. Funding received by the facilities from the rate increases is to be used for increases to wages or salaries, health/dental benefits and retirement plans and/or a combination. The Department will review cost reports and documentation at a later date to ensure funding was used appropriately. In addition, this SPA rebases rates effective July 1, 2019 using the cost report for the period ending September 30, 2018, which includes a 2% stop loss provision on all facilities, except that there is no stop loss provision for facilities with an occupancy level of less than 70%.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

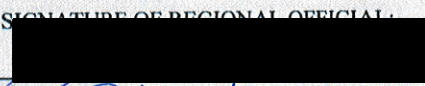
OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: State of Connecticut Department of Social Services 55 Farmington Avenue, 9 th Floor Hartford, CT 06105 Attention: Ginny Mahoney, Medical Policy
TYPED NAME: Kathleen Brennan	
14. TITLE: Deputy Commissioner	
15. DATE SUBMITTED: September 30, 2019	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:	18. DATE APPROVED: DEC 10 2019
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL 01 2019	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Kristin Fan	22. TITLE: Director, FMG

23. REMARKS:
FORM CMS-179 (07-92)

State: ConnecticutMethods and Standards for Establishing Payment Rates for Nursing Facilities

Effective November 1, 2018, Medicaid-participating nursing facilities shall receive a 2% rate increase over the previously issued Medicaid rate effective July 1, 2018. Although the rate increase will increase revenue for providers overall, this increase is specifically intended to support a permanent increase of no less than 2% in aggregate to the compensation of employees working at the nursing facility. Funding from this 2% rate increase program should be used for the following purposes: increases to employee wages or salaries, increases to the health/dental benefit or retirement plans and/or a combination of all three. The funding may not be used for lump sum payments or bonuses in lieu of a permanent overall 2% increase to employee compensation. After the implementation of an overall 2% increase to the compensation of employees, any rate increase revenues remaining may be utilized to address other than employee compensation critical operational needs. Specific non-eligible uses include increases in management fees, rent, ownership compensation, and related party contractors. Nursing facilities will have the option to opt-out of this rate increase. For nursing facilities that receive the rate increase, the Department will conduct a review of the annual cost reports including desk review documentation to ensure funding under the program was used appropriately. If after completion of the review, the Department finds that a nursing facility did not utilize program funds as intended, the Department retains the authority to rescind the rate increase and retrospectively recoup the funding related to the 2% rate increase.

For the fiscal year ending June 30, 2020 and June 30, 2021, the department shall determine facility rates based upon 2018 cost report filings subject to the provisions of this section of Attachment 4.19-D of the Medicaid State Plan. This calculated rate cannot be more than the rate in effect as of June 30, 2019 and cannot be more than two per cent lower than the rate in effect on June 30, 2019, unless the facility has an occupancy level of less than seventy per cent, as reported in the 2018 cost report, or an overall rating on the Medicare's Nursing Home Compare Internet web site of one star on June 1, 2019, adjusted for a rate add-on to reflect the November 1, 2018 rate increase defined previously. Effective July 1, 2019, Medicaid-participating nursing facilities shall receive a 2% rate increase over rebased rate as defined in this paragraph, for the same purpose and under the same conditions as the November 1, 2018 rate increase described above, in addition, the rate shall be adjusted to provide pro rata fair rent increases, which shall include increases for facilities which have undergone a material change in circumstances related to fair rent additions in the cost report year ending September 30, 2019, and not otherwise included in rates issued. Effective October 1, 2020, Medicaid-participating nursing facilities shall receive a 1% rate increase over the rate in effect on June 30, 2020 for the same purpose and under the same conditions as the November 1, 2018 rate increase described above. Effective January 1, 2021, Medicaid-participating nursing facilities shall receive a 1% rate increase over the rate in effect on December 31, 2020, for the same purpose and under the same conditions as the November 1, 2018 rate increase described above.

TN # 19-0022
Supersedes
TN # 18-0032

Approval Date DEC 10 2019Effective Date 7/01/2019