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## State/Territory Name: CT

# State Plan Amendment (SPA) #:17-0023

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



### **Financial Management Group**

Roderick L. Bremby, Commissioner Department of Social Services 55 Farmington Avenue 9<sup>th</sup> Floor Hartford, CT 06105

JUN 21 2018

RE: Connecticut 17-0023

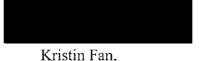
Dear Commissioner Bremby:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 17-0023. Effective July 1, 2017, this amendment implements inpatient supplemental payments for inpatient hospital services to specified acute care hospitals in the amount of \$435.2 million for state fiscal year (SFY) 2018 and \$353.5 million for SFY 2019..

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 17-0023 approved effective July 1, 2017. 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,



Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL POR: HEALTH CARE FINANCING ADMINISTRATION       1. TRANSMITTAL NUMBER: 17:0023       2. STATE: CT         FOR: HEALTH CARE FINANCING ADMINISTRATION       SPRICERAM DENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)       1. TRANSMITTAL NUMBER: 1. JULY 1, 2017       2. STATE: CT         TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPEARTMENT OF HEALTH LAND HUMAN SERVICES DEPEARTMENT OF HEALTH LAND HUMAN SERVICES DEPEARTMENT OF HEALTH LAND HUMAN SERVICES       4. PROPOSED EFFECTIVE DATE: JULY 1, 2017         TYPE OF STATE PLAN MATERIAL (Check One): 	DEPARTMENT OF HEALTH AND HUMAN SERVICES IEALTH CARE FINANCING ADMINISTRATION		FORM APPROVED OMB NO. 0938-0193
FOR: HEALTH CARE FINANCING ADMINISTRATION       SOCIAL SECURITY ACT (MEDICAID)         TO: REGIONAL ADMINISTRATOR       4. PROPOSED EFFECTIVE DATE: July 1, 2017         CENTERS FOR MEDICARE AND MEDICAID SERVICES       July 1, 2017         STYPE OF STATE PLAN MATERIAL (Check One): NEW STATE PLAN MATERIAL (Check One): NEW STATE PLAN MATERIAL (Check One): NEW STATE PLAN MATERIAL (Check One): AMENDMENT TO BE CONSIDERED AS NEW PLAN X_AMENDMENT         COMPLETE BLOCKS 6 THRU 101FTHIS IS AN AMENDMENT (Separate Transmittal for cachamendment)       7. FEDERAL BUDGET IMPACT: FFY 2017 \$72.9 million         6. FEDERAL STATUTE/REGULATION CITATION: Section 1905(AXI) 0 fith Social Security Act and 42 CFR 440.0 and 447.233(a), (b), and (c)       7. FEDERAL BUDGET IMPACT: FFY 2018 \$227.7 million         8. PAGE NUMBER OF THE LAN SECTION OR ATTACHMENT: Attachment 4.19-A, Page 1(s)       9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (applicable)         10. SUDJECT OF AMENDMENT-Effective July 1, 2017, bits 5PA anead6 Attachment 4.19-A, dr. has upplemental bright activities to predified active enclopable. As Applemental bright activities on predified active enclopable activitis activities and \$10,25 million in SFY 2018 a	TRANSMITTAL AND NOTICE OF APPROVAL		2. STATE: CT
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NEW STATE PLAN      AMENDMENT TO BE CONSIDERED AS NEW PLAN       X_AMENDMENT         COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)       .         6. FEDERAL STATUTE/REGULATION CITATION: Section 1905(a)(1) of the Social Security Act and 42 CFR 440.10 and 447.253(a), (b), and (c)       7. FEDERAL BUDGET IMPACT: FFY 2017       S72.9 million         8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-A, Page 1(a)       9. PAGE NUMBER OF THE SUPRESEDED PLAN SECTION OR ATTACHMENT (If applicable) Attachment 4.19-A, Page 1(a)       10. SUBJECT OF AMENDMENT: Effective July 1, 2017, this SPA amends Attachment 4.19-A, Of the Medicaid State Plan to implement Medicaid inpatis applemental payments for inpatient hospital services to specified acute care hospitals. As described in the SPA, the supplemental payments largely following change provide using Event Figs Valles and a care of S00 million on Medicaid inpatien trevenue is acqueuted using Event Figs Valle (SYP 2017) (described in approved S70 Figs A16-0018), with the following change provide component is 3230 million with a cape of S70 million on Medicaid inpatien trevenues for SFY 2018 and a cape of S70 million on SFY 2018 and s1 0.35 million on a SFY 2018 and s1 0.35 million on SFY 2019. Aggregate total	CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	<ul> <li>Level and the standard stand Standard standard stand Standard standard stand Standard standard st Standard standard st Standard standard stand Standard standard standar Standard standard stand Standard standard stand Standar</li></ul>	innunga -
5.       FEDERAL STATUTE/REGULATION CITATION: Section 1905(a)(1) of the Social Security Act and 42 CFR 440.10 and 447.253(a), (b), and (c)       7.       FEDERAL BUDGET IMPACT: FFY 2017 \$72.9 million FFY 2018 \$277.9 million         3.       PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Page 1(x)       9.       PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (f opplicable) Attachment 4.19-A, Page 1(x)         0.       SUBJECT OF AMENDMENT: Effective July 1, 2017, this SPA amends Attachment 4.19-A, Page 1(x)       9.       PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (f opplicable) Attachment 4.19-A, Page 1(x)         0.       SUBJECT OF AMENDMENT: Effective July 1, 2017, this SPA amends Attachment 4.19-A, Page 1(x)       9.       PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (f opplicable) Attachment 4.19-A, Page 1(x)         0.       SUBJECT OF AMENDMENT: Effective July 1, 2017, this SPA amends Attachment 4.19-A, Page 1(x)       9.       PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (opplicable) Attachment 4.19-A, Page 1(x)         10.       SUBJECT OF AMENDMENT: Effective July 1, 2017, this SPA amends Attachment 4.19-A, Page 1(x)       9.       PAGE NUMBER OF STY 2019, Aggregate totals are 435.2 million in SFY 2018 and \$35.3 million for SFY 2019.         11.       GOVERNOR'S REVIEW (Check One):		O BE CONSIDERED AS NEW PLAN <u>X</u>	AMENDMENT
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supplemental payments for inpatient hospital services to specified acute care hospitals. As described in the SPA, the supplemental payments largely following chang (1) Medicaid revenue is calculated using Federal Fiscal Year (FFY) 2017 (described in approved SPA 16-0018), with the following chang (1) Medicaid revenue is calculated using Federal Fiscal Year (FFY) 2016 Office of Health Care Access (OHCA) filings instead of FFY 2014, (2) the total amount has changed, and (3) the total is split into two components that use the same distribution methodology except that one is capped and one is not capped. The capped component is \$250 million in with a cap of \$80 million on Medicaid inpatient revenues for SFY 2018 and a cap of \$80 million on Medicaid inpatient revenues for SFY 2019. And cap of \$80 million on SFY 2018 and \$1 03.5 million in SFY 2019. Aggregate totals are \$435.2 million for SFY 2018 and \$353.5 million for SFY 2019. I. GOVERNOR'S OFFICE REPORTED NO COMMENT OOTHER, AS SPECIFIED: OOTHER, AS SPECIFIED: OOTHER, AS SPECIFIED: OTHER, AS SPECIFIED: 		ATTACHMENT (If applicable)	PLAN SECTION OR
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4. TITLE: Commissioner       Department of Social Services         4. TITLE: Commissioner       55 Farmington Avenue – 9th floor         5. DATE SUBMITTED: September 29, 2017       Attention: Ginny Mahoney         FOR REGIONAL OFFICE USE ONLY         7. DATE RECEIVED:         18. DATE APPROVED - ONE COPY ATTACHED         9. EFFECTIVE DATE OF APPROVED ON OFFICIAL:       20. SIGNATURE OF REGIONAL OFFICIAL:         22. TITLE         Department of Social Services         Structor of Copy Attached         20. SIGNATURE OF REGIONAL OFFICIAL:         22. TITLE         Department of Social Services	. SIGNATURE OF STATE-AGENCY OFFICIAL:	16. RETURN TO:	
4. TITLE: Commissioner       55 Farmington Avenue – 9th floor Hartford, CT 06105 Attention: Ginny Mahoney         5. DATE SUBMITTED: September 29, 2017       56 ReGIONAL OFFICE USE ONLY         FOR REGIONAL OFFICE USE ONLY         7. DATE RECEIVED:       18. DATE APPROVED:         JUN 2 1 2018         PLAN APPROVED – ONE COPY ATTACHED         9. EFFECTIVE DATE OF APPROVED MATERIATY       20. SIGNATURE OF REGIONAL OFFICIAL:         1. TYPED NAME:       Kristin Fan         22. TITLE       Image: Constant family famil	. TYPED NAME: Roderick L. Bremby	Department of Social Services 55 Farmington Avenue – 9th floor	
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### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State <u>Connecticut</u>

### (2) Supplemental Reimbursement for Inpatient Hospital Services.

Supplemental payments to eligible hospitals shall be made from a pool of funds in the amount of \$435.2 million for the year ending June 30, 2018 (SFY 2018) and \$353.5 million for the year ending June 30, 2019 (SFY 2019). The payments shall be made periodically throughout each fiscal year.

(a) Hospitals eligible for supplemental payments under this paragraph are short-term general hospitals other than short-term children's general hospitals and short-term acute care hospitals operated exclusively by the State, other than a short-term acute care hospital operated by the State as a receiver.

(b) Payments shall be split into two components with differing distribution methodologies.

(c) The first component shall be a total pool of \$250 million for each state fiscal year. Each eligible hospital's share of the supplemental payment pool shall be equal to that hospital's pro rata share of the total Medicaid inpatient revenues of all eligible hospitals in the aggregate. For purposes of this supplemental payment, "Medicaid inpatient revenues" means payments for Medicaid inpatient hospital services provided in federal fiscal year 2016 to each eligible hospital up to a maximum of \$70 million for SFY 2018 per hospital and \$80 million for SFY 2019 per hospital as reported as Medicaid inpatient accrued payments in each hospital's filing with the State of Connecticut Office of Health Care Access (OHCA). Each hospital's share of the supplemental payment pool is subject to adjustment if its Medicaid inpatient revenue as reported by the hospital on OHCA Reports 500 and 550 is audited. There shall be no further redistribution of inpatient hospital supplemental payments after adjustments are made based on such audit.

(d) The second component shall be a total pool of \$185.2 million for the year ending June 30, 2018 and \$103.5 million for the year ending June 30, 2019. It shall be allocated to eligible hospitals using the same methodology described in subsection (c) except there will be no cap on total Medicaid inpatient revenues used to determine each hospital's pro rata share of Medicaid inpatient hospital revenues.

TN# <u>17-0023</u> Supersedes TN# <u>16-018</u> JUN 21 2018

Approval Date \_\_\_\_\_

Effective Date: 07-01-2017