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**State/Territory Name: CT**

**State Plan Amendment (SPA) #:17-0024**

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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



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**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 17-0024

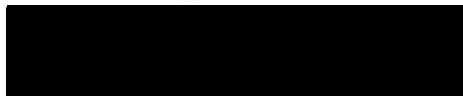
Dear Commissioner Bremby:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 17-0024. Effective July 1, 2017, this amendment implements inpatient supplemental payments for inpatient hospital services to small independent hospitals in the amount of \$12.85 million for state fiscal year (SFY) 2018 and SFY 2019 separately.

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 17-0024 is 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,



Kristin Fan,  
Director



**TRANSMITTAL AND NOTICE OF APPROVAL  
OF STATE PLAN MATERIAL  
FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

17-0024

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, 2017

5. TYPE OF STATE PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ 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 \$2.2 million  
FFY 2018 \$8.8 million

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  
Attachment 4.19-A, Page I(xi)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR  
ATTACHMENT (If applicable)  
Attachment 4.19-A, Page I(xi)

10. SUBJECT OF AMENDMENT: Effective July 1, 2017, this SPA amends Attachment 4.19-A of the Medicaid State Plan to continue making Medicaid inpatient supplemental payments to specified acute care hospitals. As described in the SPA, the supplemental payments follow the same criteria as the supplemental payments effective for State Fiscal Year (SFY) 2017 (described in approved SPA 16-0019), with the following changes: (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 is \$12.5 million in SFY 2018 and in SFY 2019, and (3) each hospital's total Medicaid revenues are subject to a cap of \$5 million.

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:

13. TYPED NAME: Roderick L. Bremby

14. TITLE: Commissioner

15. DATE SUBMITTED:  
September 29, 2017

16. RETURN TO:

State of Connecticut  
Department of Social Services  
55 Farmington Avenue - 9th floor  
Hartford, CT 06105  
Attention: Ginny Mahoney

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

18. DATE APPROVED:

JUN 21 2018

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JUL 01 2017

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: Kristin Fan

22. TITLE: Director, FMS

23. REMARKS: Pen & ink changes per state request. Box 7 and Box 10



STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State Connecticut

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**(2a) Supplemental Reimbursement to Small Independent Hospitals for Inpatient Hospital Services.**

Supplemental payments to eligible hospitals shall be made from a pool of funds in the amount of \$12.85 million for each of the state fiscal years ending June 30, 2018 and June 30, 2019. The payments shall be made periodically throughout each fiscal year in accordance with the following paragraphs:

- (a) Hospitals eligible for supplemental payments under this section are short-term general acute care hospitals that have 180 or fewer licensed beds and are independent and are not affiliated with any other hospital or hospital system that includes two or more hospitals, as defined in item (c). Hospital affiliations shall be based on the Department of Public Health, Office of Health Care Access (OHCA), as documented through its Certificate of Need process.
- (b) 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, subject to a cap of \$5 million, of all eligible hospitals in the aggregate as reported in each hospital's Federal Fiscal Year 2016 filing with OHCA.
- (c) A hospital shall become ineligible for supplemental payments beginning with the quarter following either: (i) the closing date of the completion of a merger or formal affiliation (*i.e.*, a formal affiliation in which the hospital controls, is controlled by, or operates under common control, directly or indirectly) with another hospital or hospital system that includes at least one other hospital, as determined based on OHCA's Certificate of Need process or (ii) the effective date of an increase in licensed beds to greater than 180 beds. A hospital that becomes ineligible shall remain ineligible for supplemental payments for calendar quarters after it became ineligible. Any remaining funds due to one or more hospitals becoming ineligible shall not be distributed to any other hospitals.

