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State/Territory Name: CT

State Plan Amendment (SPA) #: 18-0017

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



Financial Management Group

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

JUN 19 2018

RE: Connecticut 18-0017

Dear Commissioner Bremby:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 18-0017. Effective from February 1, 2018 to January 31, 2020, this amendment revises reimbursement for inpatient hospital services to implement a pay-for-performance (P4P) program for children age seventeen and under at any private psychiatric hospital in Connecticut, which is currently only Natchaug Hospital. Performance years 1 and 2 are dates of service from February 1, 2018 to January 31, 2019 and February 1, 2019 to January 31, 2020, respectively.

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 18-0017 is approved effective February 1, 2018. 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,

A solid black rectangular box used to redact the signature of Kristin Fan.

Kristin Fan,
Director

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

1. TRANSMITTAL NUMBER:
18-0017

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:
February 1, 2018

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 2018 \$250,000
FFY 2019 \$250,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-A, Pages 32a and 32b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR
ATTACHMENT (if applicable)
New

10. SUBJECT OF AMENDMENT: Effective from February 1, 2018 through January 31, 2020, this SPA amends Attachment 4.19-A of the Medicaid State Plan to implement a pay-for-performance program for inpatient hospital services provided to children age seventeen and under at any private psychiatric hospital in Connecticut, which is currently only Natchaug Hospital. Performance years 1 and 2 are dates of service from February 1, 2018 through January 31, 2019 and February 1, 2019 through January 31, 2020, respectively. Additional details are described in the SPA.

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ OTHER, AS SPECIFIED:

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

13. TYPED NAME: Roderick L. Bremby

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

14. TITLE: Commissioner

15. DATE SUBMITTED:
March 27, 2018

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

JUN 19 2018

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

FEB 01 2018

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: KRISTIN FAN

22. TITLE:

Director, FMC

23. REMARKS:

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

(4) Supplemental Payments for Quality Performance for Private Psychiatric Hospitals for Individuals under 22 and over 64 years of age

Effective from February 1, 2018 through January 31, 2020, a pay-for-performance program is established for inpatient hospital services provided to children age seventeen and under at any private psychiatric hospital in Connecticut, which is currently only Natchaug Hospital (the "hospital"). The performance year for year 1 includes dates of service from February 1, 2018 through January 31, 2019 and year 2 includes dates of services from February 1, 2019 through January 31, 2020.

Payments of up to \$500,000 for each performance year will be paid out based on the hospital's performance on specified performance metrics detailed below. In order to ensure adequate claims data is available, payments will be made at least six months after the relevant performance period has completed. Payments will be made annually.

The performance metrics include:

1. Average Length of Stay (ALOS).
2. Re-Admission to any hospital for inpatient psychiatric or inpatient detoxification reasons within seven days of discharge from the hospital (Re-Admit – 7).
3. Re-Admission to any hospital for inpatient psychiatric or inpatient detoxification reasons within thirty days of discharge from the hospital (Re-Admit – 30).
4. Connect to Next Lower Level of Care (CTC) within seven days of discharge from the hospital. CTC means a Medicaid member is admitted to a Medicaid covered level of care that is not an acute level of care and received a Medicaid service and the applicable provider submitted a claim for that service (CTC – 7).
5. Connect to Next Lower Level of Care (CTC) within thirty days of discharge from the hospital (CTC – 30).
6. Patient Satisfaction: The hospital must implement a patient satisfaction survey under this model using a standardized patient survey instrument.

The hospital must meet the performance metrics thresholds in Table 1 and 2 below in order to receive payment. Outlier lengths of stay will be excluded if they are in the top 1% of members statewide with the longest lengths of stay. There are two types of outcome thresholds: (1) outcomes to receive 100% of the quarterly performance payment and (2) outcomes to receive 50% of the quarterly performance payment. If the hospital does not meet the 50% threshold for any outcome measure, no payment is made for that measure. Any balance based on not meeting performance measures will not be paid. Performance metrics and minimum benchmarks will be reviewed annually and may be revised.

TN# 18-0017

Approval Date JUN 19 2018

Effective Date: 02-01-2018

Supersedes

TN# NEW

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Connecticut**Table 1. Performance Metrics- Year 1: February 1, 2018 – January 31, 2019**

	ALOS	Re-Admit – 7	Re-Admit – 30	CTC – 7	CTC – 30	Patient Satisfaction
Payment %	20%	20%	20%	20%	20%	0%
Natchaug- Current*	10.94	5.10%	14.40%	46%	61.80%	N/A
100% Payment	<10.50	<4.50%	<13.75%	>55%	>65%	Establish Baseline
50% Payment	<10.75	<5.00%	<14.00%	>50%	>63%	Establish Baseline

Table 2. Performance Metrics- Year 2: February 1, 2019 – January 31, 2020

	ALOS	Re-Admit – 7	Re-Admit – 30	CTC – 7	CTC – 30	Patient Satisfaction
Payment %	18%**	18%**	18%**	18%**	18%**	10%**
Natchaug- Current*	10.94	5.10%	14.40%	46%	61.80%	TBD**
100% Payment	<10.50	<4.50%	<13.75%	>55%	>65%	TBD**
50% Payment	<10.75	<5.00%	<14.00%	>50%	>63%	TBD**

* Current metrics are listed for reference only and were determined based on authorization and claims data available as of February 2018.

** Because the baseline for the patient satisfaction survey is being developed based on year 1 performance, the metrics for patient satisfaction will be developed by the state and are planned to be included in a subsequent SPA. In the absence of a new SPA, then no payment will be made for patient satisfaction and the payment percentage for each of the other categories will be 20% (instead of 18%).

TN# 18-0017Approval Date JUN 19 2018Effective Date: 02-01-2018

Supersedes

TN# NEW