

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

March 8, 2019

Roderick L. Bremby, Commissioner
Department of Social Services
55 Farmington Avenue, 9th Floor
Hartford, CT 06105-3730

RE: Connecticut 18-0032

Dear Commissioner Bremby:

We have reviewed the proposed amendment to Attachment 4.19-D, of your Medicaid State Plan submitted under transmittal number (TN) 18-0032. Effective November 1, 2018, this amendment increases nursing facility rates by two percent. Specifically, this increase must be used to increase employee wages, salaries and fringe benefits by two percent.

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 18-0032 is approved effective November 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: CENTERS FOR MEDICARE AND MEDICAID SERVICES**

1. TRANSMITTAL NUMBER:
18-0032

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
November 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)(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 \$7.6 million
b. FFY 2020 \$9.1 million

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19-D, Page 59(c)i

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 PAGE NUMBER OF THE SUPERSEDED PLAN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

10. SUBJECT OF AMENDMENT: Effective November 1, 2018, SPA 18-0032 amends Attachment 4.19-D of the Medicaid State Plan to increase nursing facility rates by 2%. 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 facilities. Funding received by the facilities from the rate increase should be used for increases to wages or salaries, health/dental benefits and retirement plans and/or a combination.

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:

TYPED NAME: RODERICK L. BREMBOY

14. TITLE: Commissioner

15. DATE SUBMITTED:
December 27, 2018

16. RETURN TO:

State of Connecticut
Department of Social Services
55 Farmington Avenue, 9th Floor
Hartford, CT 06105
Attention: Ginny Mahoney, Medical Policy

State: Connecticut

Methods 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 that was 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 shall be considered a general rate increase and will be directed by the facility to any allowable costs, as determined by the facility. 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.

TN # 18-0032
Supersedes
TN # NEW

Approval Date MAR 08 2019

Effective Date 11/01/2018