



# STATE OF CONNECTICUT

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OFFICE OF THE COMMISSIONER

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***Submitted Via Email to: 1115DemoRequests@cms.hhs.gov***

April 1, 2022

Ms. Judith Cash, Director  
State Demonstrations Group  
Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
7500 Security Boulevard  
Baltimore, MD 21244

**RE: Connecticut's Submission of Covered Connecticut (Covered CT) Demonstration  
Waiver Pursuant to Section 1115 of the Social Security Act**

Dear Ms. Cash:

The State of Connecticut Department of Social Services (DSS), Connecticut's single state Medicaid agency, submits the enclosed application for a demonstration waiver pursuant to section 1115 of the Social Security Act (Demonstration) for the Covered Connecticut (Covered CT) program. The intent of this Demonstration is to help close the health insurance affordability gap in a cost-effective manner for low-income individuals who earn too much to qualify for Medicaid but not enough to afford coverage through the state's health insurance marketplace, Access Health CT. This Demonstration is the result of a collaborative effort among various state partners, including DSS, the Office of Health Strategy, Access Health CT, and the Connecticut Insurance Department.

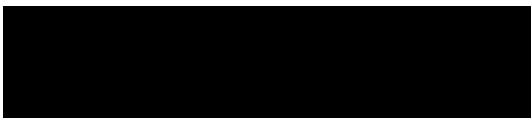
Specifically, this Demonstration will provide eligible individuals with free qualified health plan (QHP) coverage available through Access Health CT. The State will directly reimburse the plan for the monthly premium and the cost-sharing amounts that the enrollee would normally have to pay, such as out-of-pocket costs for deductibles, copays, and coinsurance. Enrollees will also receive free dental care and non-emergency medical transportation (NEMT) services, comparable to the benefits under Connecticut Medicaid and provided through the Medicaid delivery and payment system. No cost-sharing requirements will apply to benefits provided under the Demonstration. Federal approval of the Demonstration will enable the state to receive federal financial participation (FFP) for the state's costs of paying for the premiums, cost-sharing amounts, dental care, and NEMT services.

This Demonstration will be available to parents and caretaker relatives, and their tax dependents under age 26, and childless adults ages 19 to 64 who have income that is above the Medicaid limit but does not exceed 175% of the federal poverty level (FPL). Enrollees must enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.

Pursuant to 42 C.F.R. § 431.408, the state completed the required public process for the Demonstration, as described and documented in the appendix to the Demonstration. The state published abbreviated public notice in the Connecticut Law Journal, which is the state's register, on February 8, 2022 and posted full public notice on the DSS website for a written public comment period that began on February 8, 2022 and ended on March 11, 2022, which was more than 30 days. DSS held two electronic public hearings, one hosted by the state's legislatively established Medical Assistance Program Oversight Council on February 10, 2022 and another hosted by DSS on February 16, 2021. DSS received three written comments and also received verbal comments during the public hearings, which are summarized in the responses to comments included in the appendix to the Demonstration. In accordance with the process set forth in the state's approved tribal consultation SPA, the state sent notice of this Demonstration to Connecticut's two federally recognized Indian tribes on February 3, 2022. The tribal representatives did not send any comments on this SPA. This Demonstration does not have a unique or particular impact, nor a direct effect on tribal members, tribes, or tribal health programs or organizations.

If you have any questions, please contact William Halsey, Interim Director, Division of Health Services, at [William.Halsey@ct.gov](mailto:William.Halsey@ct.gov). Thank you.

Sincerely,



Deidre S. Gifford, MD, MPH  
Commissioner

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*Ms. Judith Cash, Director, State Demonstrations Group, CMCS, CMS*  
*Connecticut's Submission of Section 1115 Demonstration Waiver for Covered Connecticut*  
*April 1, 2022*

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**State of Connecticut  
Department of Social Services**

**COVERED CONNECTICUT (COVERED CT)  
DEMONSTRATION PROGRAM**

**Demonstration Waiver Application  
Pursuant to Section 1115 of the Social Security Act**

**Submitted to the U.S. Centers for Medicare and Medicaid Services (CMS)**

**Updated April 1, 2022**

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## **I. SUMMARY**

Sections 15 through 19, inclusive, of Public Act 21-2 (Act) of the June 2021 Special Session of the Connecticut General Assembly, established the Covered Connecticut (Covered CT) program to close the health insurance affordability gap for low-income individuals who earn too much to qualify for Medicaid but not enough to afford coverage through the state's health insurance marketplace, Access Health CT. The law further directs the Connecticut Department of Social Services (DSS) to submit this demonstration waiver application pursuant to section 1115 of the Social Security Act (Demonstration) to the U.S. Centers for Medicare and Medicaid Services (CMS) to provide federal matching funds for the program.

Legislative debate in the Connecticut General Assembly leading to passage of the Act centered on two policy options for improving the affordability of healthcare coverage: an expansion of Medicaid eligibility or State subsidies for health insurance coverage available through Access Health CT. Lawmakers' rationale for choosing the State subsidy approach was that by leveraging both federal subsidies for marketplace coverage and federal funding for the Medicaid program, the State could, with the same amount of state funds, provide affordable health insurance coverage to more people than by expanding Medicaid.

The Demonstration proposed in this application will be available to parents and caretaker relatives, and their tax dependents under age 26, and non-pregnant childless adults ages 19 to 64 who have income that is above the Medicaid limit but does not exceed 175% of the federal poverty level (FPL) and enroll in a silver-level qualified health plan (QHP) available through Access Health CT using federal premium subsidies and cost-sharing reductions.

Demonstration enrollees will receive free QHP coverage available through Access Health CT. The State will directly reimburse the plan for the monthly premium and the cost-sharing amounts that the enrollee would normally need to pay with the plan, such as out-of-pocket costs for deductibles, copays, and coinsurance. Enrollees will also receive free dental care and non-emergency medical transportation (NEMT) services, comparable to the benefits under Connecticut Medicaid and provided through the Medicaid delivery and payment system, HUSKY Health. No cost-sharing requirements will apply to benefits provided under the Demonstration.

The hypotheses to be tested by the Demonstration are that providing free QHP coverage and dental care and NEMT services comparable to the benefits under Connecticut Medicaid will: (1) improve the affordability of health insurance coverage; (2) promote health insurance coverage (*i.e.*, increase the number of individuals with health insurance coverage through a QHP); (3) ensure stable coverage; (4) reduce the statewide uninsured rate; (5) improve oral health; and (6) enable access to medical appointments. As described below, DSS will evaluate the impact of the Demonstration

on health disparities and health equity through the final performance measures, stratified by data available on race, ethnicity, and income.

DSS requests a five-year waiver term, from July 1, 2022 through June 30, 2027. As detailed below, during this period, Demonstration enrollment is projected to total 39,000, and Demonstration expenditures are projected to total \$363,396,545. This expenditure projection assumes that the enhanced QHP premium subsidies available through section 9661 of the American Rescue Plan Act of 2021 (ARP), Public Law 117-2, will continue throughout the five-year Demonstration period.

Should the enhanced ARP subsidies end on December 31, 2022, as currently authorized by federal law, or on any date prior to the expiration of the Demonstration, the State would need to revisit the Demonstration financing and possibly make programmatic changes, such as, but not in any particular order: utilize state funding, reduce eligibility or benefits, cap enrollment, or terminate the Demonstration.

As detailed below, DSS is requesting expenditure authority for the individuals enrolled under the Demonstration. It has not identified the need for any waivers of section 1902.

## II. **BACKGROUND**

This section details this challenge of affordable coverage for low-income individuals in Connecticut and the leading policy options considered by state policy makers. Much of the content is drawn from the November 2020 Policy Brief entitled “Closing the Health Insurance Affordability Gap: Two Options for Connecticut.” ***Note:*** In this section of the Demonstration application, except as otherwise specifically indicated, all FPL, premium cost, premium subsidy, and cost-sharing reduction figures are as of that date, reflecting the premium subsidies and cost-sharing reductions provided by the Affordable Care Act (ACA) but not the enhanced premium subsidies provided by the ARP.

### *The Challenge: Affordable Coverage for the Near-Poor*

Connecticut has a strong history of working to make healthcare coverage affordable and accessible to its residents. Yet while significant gains have been made, coverage remains unaffordable to many, including some of the state’s lowest-income individuals and families. In 2018, individuals with incomes between 100% and 200% FPL made up 13% of Connecticut’s population, but 26% of the state’s uninsured residents; approximately 48,000 people in this income range were uninsured.<sup>1</sup>

Among this income group, those earning just above the Medicaid eligibility levels are hardest hit by affordability challenges and are the focus of the Covered CT program. A single individual in this group earns approximately between \$17,600 and \$25,000 annually, or about \$12 an hour at a full-time job; note that effective August 1, 2021, the state’s minimum wage increased to \$13 per hour and under current state law, it will increase to \$14 per hour effective July 1, 2022.<sup>2</sup> Even with the newly increased state minimum wage, at that wage level, expenses related to housing, utilities, food, and transportation leave little room to pay a monthly healthcare premium.

The high level of uninsured low-income people is generally not the result of a lack of coverage options, but rather a lack of affordable coverage choices. Individuals who are not eligible for Medicaid can buy coverage from a QHP available through Access Health CT. That coverage is subsidized by the federal government, but still costly for low-income residents who are just above Medicaid eligibility levels.

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<sup>1</sup> Kaiser Family Foundation. (Year 2018). Distribution of the Nonelderly Uninsured by Federal Poverty Level (FPL). Retrieved from: <https://www.kff.org/uninsured/state-indicator/distribution-by-fpl-2/?currentTimeframe=0&selectedRows=%7B%22states%22:%7B%22connecticut%22:%7B%7D%7D%7D&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

<sup>2</sup> Connecticut Health Foundation. (November 2020). Closing the Health Insurance Affordability Gap: Two Options for Connecticut. Retrieved from: <https://www.cthealth.org/wp-content/uploads/2020/11/CT-Health-Closing-the-Affordability-Gap.pdf>



Research shows that monthly premiums can deter low-income individuals straining to meet their basic needs from enrolling in healthcare coverage. These findings are particularly relevant to Connecticut, one of the costliest states to live. In 2018, Connecticut ranked eighth across states for cost of living, leaving the near-poor in this state particularly cost-sensitive when it comes to affording health coverage.<sup>3</sup> Analyses have shown that people in Connecticut must have incomes well above the federal poverty threshold just to meet their basic needs, including housing, childcare, food, transportation, and taxes, as well as to afford healthcare and other items.

The cost of coverage can be a particular issue for individuals who lose Medicaid eligibility when their income rises due to a new job or a wage increase. These individuals are exposed to a significant jump in cost for coverage (and out-of-pocket costs when they get care) even with subsidized commercial plans available through Access Health CT.

### *The Uninsured in Connecticut*

Of Connecticut's more than 3.5 million residents, nearly 190,000 were uninsured in 2018. This results in a state uninsured rate of about 5%, which is on par with the average across New England but lower than the national average.<sup>4,5</sup> Approximately 48,000 of Connecticut's uninsured residents in 2018 had incomes between 100% and 200% FPL,<sup>6</sup> accounting for a quarter of the state's uninsured population even though this income range makes up just 13% of the state's population.<sup>7</sup> Some of these uninsured individuals are eligible for Medicaid based on the state's current eligibility requirements (i.e., childless individuals with income under 138% FPL and parents and caretaker relatives earning less than 160% FPL).<sup>8</sup> People earning above those levels are likely to be eligible for subsidized coverage through a QHP available through Access Health CT.

The number of uninsured individuals in Connecticut with incomes between 100% and 199% FPL increased from 36,300 (10% of individuals in this income range) in 2016 to 48,000 (13%) in 2018;

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<sup>3</sup> Cohn, S. (July 10, 2018). 10 Most Expensive Places to Live in America. CNBC. Retrieved from: <https://www.cnbc.com/2018/06/28/these-are-americas-most-expensive-states-to-live-in-for-2018.html>

<sup>4</sup> Access Health CT. (February 20, 2020). 2020 Open Enrollment Summary.

<sup>5</sup> State Health Access Data Assistance Center. (October 17, 2019). SHADAC Uninsurance Rates for Connecticut in 2017 and 2018. Retrieved from: [https://www.shadac.org/sites/default/files/publications/1\\_year\\_ACS\\_2018/aff\\_s2701\\_CT\\_2017\\_2018.pdf](https://www.shadac.org/sites/default/files/publications/1_year_ACS_2018/aff_s2701_CT_2017_2018.pdf)

<sup>6</sup> Ibid.

<sup>7</sup> In this section, data on the uninsured and the shifts in Connecticut's coverage landscape include all non-elderly state residents (i.e., state residents who are 64 years old or younger).

<sup>8</sup> **Note:** Throughout this document, the applicable Medicaid eligibility FPL limits, including references to 138%, 160%, and 201%, each incorporates the 5% income disregard.

this group includes both Medicaid and non-Medicaid eligible individuals.<sup>9</sup> For individuals between 139% and 250% FPL (a group that includes many adults not eligible for Medicaid), the number of uninsured grew from approximately 42,000 to 48,000 people during the same period. Between 2016 and 2018, for people with incomes between 139% and 250% FPL, employer coverage declined by approximately 6,700 and enrollment in individual market coverage (both on and off Access Health CT) dropped by approximately 7,400. During this same period (2016–2018), the share of individuals between 139% and 250% FPL who were covered by Medicaid grew modestly (from approximately 128,500 to 132,000), suggesting that the drops in coverage noted above have mostly occurred among those with incomes above Medicaid eligibility levels.

Looking ahead, Connecticut's uninsured rate for the near-poor is likely to rise. Since the start of the COVID-19 pandemic, more than 400,000 state residents have filed for unemployment.<sup>10</sup> Some people losing jobs and job-based coverage will qualify for Medicaid, while others will have family incomes that put them over Medicaid eligibility limits, and their sudden loss of income will mean a diminished ability to pay premiums. Recent estimates suggest that the uninsured rate in states like Connecticut that have expanded Medicaid will grow by 12% on average and an additional 36,000 to 77,000 state residents may become uninsured as a result of the COVID-related economic downturn.<sup>11</sup> Those with the least ability to afford new coverage will be the people with incomes below 200% FPL but above the Medicaid thresholds. The end of the COVID-19 public health emergency (PHE) and the continuous enrollment requirements of the Families First Coronavirus Response Act (FFCRA) will be particularly impactful for this population.

### *Medicaid Coverage in Connecticut*

Most of the lowest-income state residents are eligible for coverage through HUSKY Health, Connecticut's Medicaid Program. Connecticut has a strong history of using Medicaid to provide comprehensive health coverage to low-income residents. According to monthly data reported to the federal government, Connecticut's Medicaid program currently covers approximately 961,000

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<sup>9</sup> Kaiser Family Foundation. (2016). Uninsured Rates for the Nonelderly by Federal Poverty Level (FPL). Retrieved from: <https://www.kff.org/uninsured/state-indicator/nonelderly-uninsured-rate-federal-poverty-level-fpl/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

<sup>10</sup> CT Data Collaborative. (May 24, 2020). Unemployment in Connecticut During COVID-19 Crisis. Retrieved from: <https://www.ctdata.org/covid19-unemployment>

<sup>11</sup> Banthin J, Simpson M, Buettgens, M, et al. (July 2020) Changes in Health Insurance Coverage Due to the COVID-19. Retrieved from: [https://www.urban.org/sites/default/files/publication/102552/changes-in-health-insurance-coverage-due-to-the-covid-19-recession\\_4.pdf](https://www.urban.org/sites/default/files/publication/102552/changes-in-health-insurance-coverage-due-to-the-covid-19-recession_4.pdf) Health Management Associates (April 3, 2020). COVID-19 Impact on Medicaid, Marketplace, and the Uninsured, by State. Retrieved from: <https://www.healthmanagement.com/wp-content/uploads/HMA-Estimates-of-COVID-Impact-on-Coverage-public-version-for-April-3-830-CT.pdf>

people, or about one out of four state residents.<sup>12</sup> Before the ACA, federal Medicaid rules allowed states considerable flexibility to cover parents and caretaker relatives but not childless adults. The ACA created a new eligibility pathway and enhanced federal matching funds for states to expand coverage to all adults (subject to immigration requirements) up to 138% FPL (currently \$1,467 monthly for an individual). Connecticut had already expanded coverage for parents and caretaker relatives before the ACA and it was the first state to implement the ACA early option for coverage of childless adults in 2010. The ACA also created a pathway to regular federal matching funds for states to expand coverage to childless adults with income above 138% FPL.

Over the years, Connecticut made several changes to its Medicaid parent and caretaker relatives eligibility levels. Before the ACA, parents and caretaker relatives could qualify for Medicaid in Connecticut if they earned up to 201% FPL. After Access Health CT began offering insurance in 2014, state lawmakers reduced eligibility for this group to 155% FPL, reasoning that parents and caretaker relatives above that income level could buy subsidized coverage through Access Health CT.<sup>13</sup> Since then, lawmakers have raised the Medicaid eligibility limit for parents and caretaker relatives to 160% FPL. For adults in a family of four, that equates to a Medicaid income limit of \$3,493 per month. State data shows that of those who lost Medicaid coverage as a result of the change, while many returned to Medicaid (approximately 40%), only a small fraction enrolled in Access Health CT coverage (approximately 12%) and nearly half appeared to have become uninsured, as they were not enrolled in either Medicaid or QHP coverage available through Access Health CT.<sup>14</sup>

#### *QHP Coverage Available through Access Health CT in Connecticut*

Access Health CT is Connecticut's official health insurance marketplace for QHPs. State residents can qualify for federal financial assistance to buy insurance through Access Health CT if they do not qualify for Medicaid, Medicare, or other government programs and do not have access to affordable insurance through a job.<sup>15</sup> The federal subsidies, which take the form of tax credits, are available to those with incomes below 400% FPL (or \$8,733/month for an individual). In addition to the tax credits, people with incomes below 250% FPL are eligible to buy QHP coverage with

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<sup>12</sup> Centers for Medicare and Medicaid Services (Last Updated December 21, 2021). June 2021 Medicaid & CHIP Enrollment. Retrieved from: <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>

<sup>13</sup> Levin Becker, A. 39 Percent of Parents Affected by HUSKY Cut Still in Program (December 9, 2016). The CT Mirror. Retrieved from: <https://ctmirror.org/2016/12/09/39-percent-of-parents-affected-by-husky-cut-still-in-program/>

<sup>14</sup> DSS Data. Also note that for the six-month period from January 1, 2018 through June 30, 2018, state lawmakers reduced eligibility for that group to 138% FPL, which was restored back to 155% FPL effective July 1, 2018.

<sup>15</sup> Those who are eligible for employer-sponsored insurance can also be eligible for subsidies through the exchange if their employer coverage would cost more than 9.78% of their income. Kaiser Family Foundation. (January 16, 2020). Explaining Health Care Reform: Questions About Health Insurance Subsidies. Retrieved from: <https://www.kff.org/health-reform/issue-brief/explaining-health-care-reform-questions-about-health/>

lower cost-sharing or cost-sharing reductions. In February 2020, enrollment in Access Health CT was approximately 110,000; at the time, 21% of state residents enrolled in Access Health CT earned between 139% and 200% of poverty. As of June 2020, enrollment had grown by 37,000 at the early part of the COVID-19 pandemic.

### *Costs of Access Health CT Coverage*

People who enroll in Access Health CT have different costs depending primarily on their income, age, where they live, and the plan they select.<sup>16</sup> Tax credits established by the ACA to help lower premiums are available to individuals with income under 400% FPL on a sliding-scale basis. Approximately half of households enrolled in Access Health CT qualify for tax credits that cover 80% or more of the cost of their premium.<sup>17</sup> People with incomes under 250% FPL also qualify for cost-sharing subsidies if they choose a benchmark silver-level plan through Access Health CT. (The benchmark silver plan refers to the second-lowest cost silver plan available by Access Health CT; individuals who are eligible forgo the federal cost-sharing subsidies if they do not enroll in silver coverage.)

For individuals buying coverage through Access Health CT who have incomes between 139% and 200% FPL, the average monthly premium for a benchmark silver plan ranges from \$56 to \$143, respectively.<sup>18</sup>

Out-of-pocket costs also vary based on income levels, based on differing levels of subsidies that can lower deductibles and other cost-sharing. For example:

- Individuals with incomes between 139% and 150% of poverty do not have annual deductibles and have their annual out-of-pocket spending capped at \$900.<sup>19</sup>
- Individuals with incomes between 150% and 199% of poverty who enroll in a silver plan also have reduced annual deductibles of \$650, and have their out-of-pocket spending capped at \$2,500.

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<sup>16</sup> Among the other factors that contribute to the cost of Access Health CT coverage are the scope of covered benefits, reimbursement levels for participating providers, and the overall health of the risk pool (i.e., groups of people purchasing health insurance together). A key factor that influences consumers' out-of-pocket costs is the actuarial value of the plan, which refers to the percentage of benefit costs for covered benefits paid by the insurance plan. As described above, exchange plans are categorized by a "metal level" based on how the consumer and insurer split the costs of care; actuarial value of plans increase across the metal tiers from bronze to platinum plans.

<sup>17</sup> Access Health CT. (February 20, 2020). 2020 Open Enrollment Summary.

<sup>18</sup> Ibid.

<sup>19</sup> Simulations taken from compare plans tool on Access Health CT. Retrieved from:  
<https://www.accesshealthct.com/AHCT/official/famInfo/loadFamilyInfo>.

- Individuals with incomes at 200% FPL who enroll in a silver plan have annual deductibles of \$3,950 and have their out-of-pocket spending capped at \$6,500.<sup>20</sup>

To put these sums in context, a single individual with an income of 200% FPL earns \$25,520 (before taxes) annually, or \$2,127 monthly. If they faced average premium and deductible costs for the benchmark plan, approximately 22% of their annual income would be dedicated to healthcare. Given the share of income for healthcare costs through Access Health CT, and how difficult it is for someone in this income range to stretch their budget to meet basic needs other than healthcare, it is not surprising that many in this income range go without coverage.

The cost of living in Connecticut is particularly high. For example:

- A family of four, two adults and two young children, residing in New Britain face monthly housing, childcare, and food costs that total close to \$3,700 as calculated by the Connecticut Office of Health Strategy.
- This leaves little room for a family of this size earning a monthly income of \$4,236 (i.e., 200% FPL) to pay monthly subsidized premium costs of approximately \$295 or to afford to actually seek care when they must meet an annual deductible of \$1,300 before coverage kicks in.
- Their monthly income falls far short of the projected \$6,056 monthly income that is needed to meet all of their basic needs.<sup>21</sup>

The consequences of being uninsured are significant, with coverage gaps being a key driver of health disparities. The ACA requires the Secretary of the Department of Health and Human Services to establish data collection standards for race, ethnicity, sex, primary language, and disability status. Data collected show clear disparities in rates of health insurance coverage among Black and Latinx populations.<sup>22</sup> The use of fewer preventive services results in poorer health outcomes, higher mortality and disability rates, lower annual earnings because of sickness and disease, and advanced stages of illness. The uninsured tend to be disproportionately poor, young, and from racial and/or ethnic minority groups.<sup>23</sup> Improving the affordability of health insurance

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<sup>20</sup> Similar information is available for two-parent families. Parents with incomes at 165% FPL (which is just above Connecticut's current Medicaid eligibility level for parents) who enroll in the benchmark plan pay average annual monthly premiums, after federal subsidies, of \$184 and \$1,300 in annual deductibles. Their annual out-of-pocket spending is capped at \$5,000. At 200% FPL, two parents pay an average monthly premium of \$295 for the benchmark plan, an annual deductible of \$7,900, and have out-of-pocket payments capped at \$13,000.

<sup>21</sup> Pearce, D. (October 2019). The Self-Sufficiency Standard for Connecticut 2019. Connecticut Office of Health Strategy and Connecticut Office of the State Comptroller.

<sup>22</sup> Pew Charitable Trusts, "How Income Volatility Interacts With American Families' Financial Security," March 9, 2017, <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2017/03/how-income-volatility-interacts-with-american-families-financial-security>.

<sup>23</sup> Riley W. J. (2012). Health disparities: gaps in access, quality and affordability of medical care. Transactions of the American Clinical and Climatological Association, 123, 167–174.

coverage for low-income adults who are disproportionately people of color – promoting healthcare coverage, reducing the uninsured rate, and ensuring stable coverage – will advance health equity by preventing gaps in coverage that often lead to delayed and more expensive care and poor health outcomes.

#### *Affordability Options to Promote Coverage*

In the 2021 regular session and the June 2021 Special Session of the Connecticut General Assembly, State lawmakers considered two options for closing the health insurance affordability gap for low-income individuals: expanding Medicaid eligibility for adults or providing a State subsidy for plans available through Access Health CT.

##### *Option 1: Medicaid Eligibility Expansion*

Connecticut could expand eligibility to a new optional eligibility group that was established by the ACA and referred to as the “XX” Group because the authority is established by section 1902(a)(10)(A)(ii)(XX) of the Social Security Act. This authority allows states to set the upper income level for the group. For example, Connecticut could raise eligibility levels for childless adults from 138% FPL to 175% FPL. Half of the cost would be covered by the federal government (consistent with most Medicaid groups in Connecticut). The state could adopt the new coverage category by submitting a Medicaid State Plan Amendment and then using its existing Medicaid eligibility systems to implement the coverage and provide the current State Plan benefits at State Plan reimbursement rates. No waiver would be required for this option.

##### *Option 2: State Subsidies for QHPs Available through Access Health CT*

Alternatively, Connecticut could elect to make the existing Access Health CT coverage more affordable by creating its own subsidies for those who buy insurance through Access Health CT. Because Connecticut operates a state-based marketplace using its own technology platform, the State could implement this option relatively easily. Federal marketplace subsidies (i.e., the tax credits and cost-sharing reductions that lower costs for low- and middle-income populations) set a floor, not a ceiling, and states can bolster these subsidies with their own funds. Connecticut would have broad latitude to set both the eligibility levels at which subsidies would apply, as well as the amount of subsidy. Federal approval is not needed to implement State subsidies that are funded entirely through state dollars. If a state wanted to seek federal financial participation (FFP) for State subsidies, a section 1115 demonstration waiver would be required.

Improving subsidies for low-income individuals can increase enrollment in Access Health CT coverage and reduce the uninsured rate. Evidence suggests that consumers are highly sensitive to premium costs when choosing healthcare coverage.<sup>24</sup> An analysis of Massachusetts' subsidy program found that reducing monthly premiums by about \$40 increased enrollment in marketplace coverage among eligible individuals by 14% to 24%, with larger impacts seen at lower incomes.<sup>25</sup> Connecticut would have the discretion to set the parameters of such a program by providing subsidies to reduce to \$0 the monthly premium and the cost-sharing amounts that the enrollee would normally have to pay with the plan (e.g., deductibles, copays, coinsurance, and maximum out-of-pocket costs).

### *Connecticut's Approach*

State lawmakers ultimately chose the State subsidies for QHP coverage approach paired with a section 1115 waiver. Their rationale was that by leveraging both federal subsidies for QHP coverage available through Access Health CT and federal funding for the Medicaid program, the State could, with the same amount of state funds, provide affordable health insurance coverage to more people than by expanding Medicaid.

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<sup>24</sup> Holahan, J., Blumberg, L. J., & Wengle, E. (March 2016). Marketplace Plan Choice: How Important Is Price? An Analysis of Experiences in Five States. The Urban Institute. Retrieved from: [https://www.researchgate.net/publication/301685561\\_Marketplace\\_Plan\\_Choice\\_How\\_Important\\_is\\_Price\\_An\\_Analysis\\_of\\_Experiences\\_in\\_Five\\_States](https://www.researchgate.net/publication/301685561_Marketplace_Plan_Choice_How_Important_is_Price_An_Analysis_of_Experiences_in_Five_States)

<sup>25</sup> MassHealth Medicaid Section 1115 Demonstration Special Terms & Conditions, (June 26, 2019). Department of Health and Human Services, Centers for Medicare and Medicaid Services.



### **III. DEMONSTRATION ELIGIBILITY**

#### *Eligibility Criteria*

Eligible for the Demonstration are two populations: (1) parents and caretaker relatives (parents and caretaker relatives) and (2) childless adults. Eligibility criteria for these populations are as follows:

- 1) **Parents and Caretaker Relatives**, and their tax dependents under 26 years of age, who:
  - i) are ineligible for Medicaid because their income exceeds the Medicaid income limits but does not exceed 175% FPL, and
  - ii) enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.
- 2) **Childless Adults** who:
  - i) are ages 19 to 64,
  - ii) are not pregnant,
  - iii) are ineligible for Medicaid because their income exceeds the Medicaid income limits but does not exceed 175% FPL, and
  - iv) enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.

#### *Eligibility Standards and Methodologies*

The Demonstration will not affect or modify the State's current Medicaid program and Children's Health Insurance Program (CHIP). It will not change Medicaid or CHIP State Plan eligibility standards or methodologies.

Eligibility for the Demonstration will be determined through the existing application and redetermination processes and the eligibility and enrollment system shared by Access Health CT and DSS for the Medicaid, CHIP and marketplace programs. The system will apply Demonstration eligibility criteria in conjunction with the eligibility criteria for Medicaid, CHIP and marketplace programs.

#### *Projected Enrollment*

The Demonstration is projected to enroll approximately 39,000 individuals by the final year of the waiver, including a total of 13,000 parents and caretaker relatives and 26,000 childless adults.



<b>Population</b>	<b>Demo Year 1</b>	<b>Demo Year 2</b>	<b>Demo Year 3</b>	<b>Demo Year 4</b>	<b>Demo Year 5</b>
<b>Parents and Caretaker Relatives</b>	2,818	8,991	13,157	13,223	13,289
<b>Childless Adults</b>	15,903	24,302	25,568	25,696	25,824
<b>Total</b>	18,721	33,293	38,725	38,919	39,113

The Demonstration will provide an enhanced safety net for individuals who lose Medicaid eligibility at the end of the continuous eligibility requirements of the FFCRA and the COVID-19 PHE. As adults who are currently enrolled in HUSKY A and HUSKY D are asked to reestablish Medicaid eligibility at the end of the PHE, they will also be advised of the availability of the Demonstration as a potential source of coverage if they have increased income.

As the Demonstration go-live date approaches, the State will launch an outreach campaign to promote enrollment in the program. It will use administrative data from the eligibility and enrollment system shared by Medicaid and Access Health CT to identify potentially eligible individuals for targeted outreach, including adults who are not enrolled in Medicaid but whose children are enrolled in Medicaid or CHIP.

At go-live, individuals enrolled in a silver-level QHP will have their premium and cost-sharing amounts reduced to zero and eligible individuals enrolled in a bronze-level plan will be offered the opportunity to move to a free silver-level plan.

More broadly, the state will launch a communications campaign to educate the general public on the availability of the program. It will leverage existing channels, such as member notices, mail, email, online member accounts, websites, social media, press releases, and provider bulletins. Additional methods, such as text messaging, robocalls, radio and television advertising, are being explored. To the extent that the Demonstration goes live during the PHE winddown period, communications about reapplying for Medicaid will also include information about the availability of the Demonstration program.

Demonstration enrollment projections assume expiration of the PHE as of April 16, 2022, and the resumption of pending redeterminations at the beginning of the month after the PHE ends. Also anticipated is the completion of pending Medicaid and CHIP redeterminations within a 12-month timeframe, on a monthly basis that allows the state to reestablish a renewal workload that is sustainable in future years.

Take-up rates are expected to differ for the parents and caretaker relatives group and the childless adult group because of the availability of Transitional Medical Assistance (TMA). Parents and caretaker relatives whose income has increased will receive one year of TMA; however, TMA is not available to childless adults. Childless adults who lose Medicaid eligibility because their income has increased may be determined eligible for the Demonstration at renewal. It is anticipated that a period of TMA eligibility will result in enrollment of parents and caretaker relatives at a lower rate in the early years of the Demonstration than in subsequent years. Accordingly, childless adults are expected to account for a larger share of Demonstration enrollees in the year following the end of the PHE. In the outyears of the Demonstration, enrollment of the two groups is expected to normalize, with the proportion of parents and caretaker relatives and childless adults more closely aligning with the distribution of these populations in the state.

Finally, Demonstration enrollment projections take into consideration a key difference between the eligibility and enrollment process for Medicaid or CHIP and the eligibility and enrollment process for QHP coverage available through Access Health CT. In general, individuals who are determined eligible for Medicaid or CHIP are automatically enrolled in the program. By contrast, individuals who are determined eligible for QHP coverage must proactively enroll in a QHP. These differences apply equally to the Demonstration. Demonstration enrollees whose income has decreased, making them eligible for Medicaid or CHIP, will be automatically disenrolled from the Demonstration and enrolled in Medicaid or CHIP. Individuals who are determined eligible for the Demonstration, whether or not enrolled in Medicaid or CHIP at the time of the decision, must proactively enroll in a QHP. This mandatory action step is anticipated to result in fewer people enrolling in the Demonstration than are determined eligible.

#### **IV. DEMONSTRATION BENEFITS, DELIVERY SYSTEM, PAYMENT RATES AND COST SHARING REQUIREMENTS**

The Demonstration will not affect or modify the State’s current Medicaid program and CHIP. It will not change State Plan benefits, cost-sharing requirements, delivery system, or payment rates.

##### *Benefits, Delivery System and Payment Rates*

Demonstration benefits for both the parent and caretaker relatives and the childless adult populations will include:

- 1) **Premium and cost-sharing subsidies** sufficient to provide free coverage under a silver-level QHP available through Access Health CT with federal premium subsidies and cost-sharing reductions.

The State will directly reimburse plans for the monthly premium and the cost-sharing amounts that the enrollee would normally need to pay with the plan, such as out-of-pocket costs for deductibles, copays, and coinsurance. Benefits provided by a plan will be delivered by plan providers and paid at plan reimbursement rates.

- 2) **Dental care** comparable to the benefits under Connecticut Medicaid, except where dental care is provided by a QHP to dependents under age 26. State law requires QHPs available through Access Health CT to cover dental care for dependents under age 26.

For all others, the Demonstration dental care benefit will align in amount, duration, and scope with the comparable benefit available through HUSKY Health, be delivered through the HUSKY Health dental fee-for-service delivery system and be paid at State Plan payment rates.

- 3) **NEMT services** comparable to the benefits under Connecticut Medicaid.

The Demonstration NEMT benefit will align in amount, duration, and scope with the comparable benefit available through HUSKY Health, be delivered through the HUSKY Health NEMT broker, and be paid at State Plan payment rates.

##### *Cost-Sharing Requirements*

Cost-sharing requirements do not apply to Demonstration benefits.

## **V. FINANCING AND BUDGET NEUTRALITY**

Mercer Government Human Services Consulting (Mercer), part of Mercer Health & Benefits LLC, assisted the State of Connecticut (State) Department of Social Services, Connecticut’s single State Medicaid Agency, in developing budget neutrality estimates to include in their 1115 waiver application for the Covered CT Demonstration program, with a requested start date of July 1, 2022.

This document provides a summary to the State of the 1115 budget neutrality modeling methodology, including a summary of historical data and modeling assumptions to develop projected expenditures over the five-year 1115 Demonstration period.

Covered CT is a budget-neutral alternative to expanding Medicaid eligibility through State Plan authority to ensure affordable healthcare coverage for eligible, low-income individuals. To set a higher upper income level for parents and other caretaker relatives group, State Plan authority is found in section 1931(b) of the Social Security Act. To establish Medicaid eligibility for childless adults with income above 138% FPL, State Plan authority is found in section 1902(a)(10)(A)(ii)(XX) of the ACA. Both authorities allow states to submit a State Plan amendment to claim federal matching funds for the cost of the eligibility expansion at a state’s regular federal medical assistance percentage rate. Under State Plan authority, both groups would be entitled to full Medicaid coverage.

Per member per month (PMPM) costs associated with the hypothetical expansion of Medicaid eligibility through State Plan authority comprise the Without Waiver (WOW) projections. PMPM costs associated with the Covered CT program, including eligible individuals’ share of the cost of QHP coverage available through Access Health CT, and dental care and NEMT services comparable to the benefits under Connecticut Medicaid and provided through HUSKY Health comprise the With Waiver (WW) projections.

### *Base Data*

To develop the projections for budget neutrality, Mercer evaluated data available through Medicaid and Access Health CT. Mercer discussed the available data sources with the State and determined that state-specific data was available for developing WW and WOW projections.

In accordance with CMS guidance for section 1115 demonstration waivers, the State is demonstrating budget neutrality to the federal government using the PMPM expenditures for the Medicaid eligibility group (MEG). The State and Mercer are developing budget neutrality projections under a single Covered CT MEG for all ages combined. Low-income individuals eligible for Covered CT are presumed to be childless adults with incomes greater than the Medicaid

limit but not exceeding 175% of the FPL and parents and caretaker relatives with incomes greater than the Medicaid limit but not exceeding 175% of the FPL.

To develop WOW costs, Mercer utilized available fee-for-service claims experience for Medicaid-enrolled adults under HUSKY A (Temporary Assistance for Needy Families-related, generally children and caretaker adult coverage groups) and HUSKY D (adult expansion population coverage groups) as a proxy to develop per capita costs reflecting hypothetical Medicaid coverage for the proposed MEG.

To develop the WW costs, the State provided Mercer with available program data for average gross premiums, average net premiums after the application of all available tax credits and state subsidies, and expected experience for maximum and average out-of-pocket expenditures, including copays and deductibles, to develop per capita costs representing eligible individuals' share of the cost of health insurance coverage available through Access Health CT.

The net premium component assumes that funding for state subsidies available through ARP will continue during the Demonstration period. Should the ARP subsidies terminate on December 31, 2022, as currently authorized by federal law, or any other date prior to the expiration of the Demonstration, the State would need to revisit the Demonstration financing and possibly make programmatic changes, such as, but not in any particular order: increase State funding, reduce eligibility or benefits, cap enrollment, or terminate the Demonstration. In order to account for the dental and NEMT services, Mercer relied on dental claims experience for Medicaid-enrolled adults and Medicaid-contracted costs for NEMT services. These components were combined to develop per capita costs.

### *Modeling Assumptions*

For WOW projections, the calendar year (CY) 2020 (base year) per capita costs as outlined above were projected forward 30 months from the midpoint of CY 2020 to the midpoint of the SFY 2023, which represents the first demonstration year (DY 01). SFY 2023 aligns with the State's request of an effective date for its waiver of July 1, 2022. The projected per capita costs were adjusted for a future program change affecting dental services. Beyond DY 01, PMPMs are trended forward on an annual basis. Mercer analyzed and summarized trend rates from the Medicaid expenditure projections from the CMS Office of the Actuary's (OACT) report titled, "2018 Actuarial Report on the Financial Outlook for Medicaid". The final PMPM trend rate is based on the historic proxy Medicaid experience, which is lower than the trend rate summarized from the OACT report, and reflects an adjustment to utilize non-negative historic trends.

For WW projections, Mercer utilized the per capita costs based on QHP plan year 2021, as outlined above, projected forward 18 months from the midpoint of CY 2021 to the midpoint of DY 01. Beyond DY 01, PMPMs are trended forward on an annual basis based on a health exchange related expense trend.

The State provided Mercer with projected enrollment for the Covered Connecticut program for the first three years of the program. Mercer relied on the projected enrollment provided by the State for DY 01 through DY 03 projections. Mercer estimated the enrollment for DY 04 and DY 05 using available Medicaid enrollment growth rates illustrated in the OACT report.

### *Results*

Across the five-year waiver period, the aggregate State WOW cost is projected to total approximately \$1.4 billion; the aggregate WW cost is projected to be \$363,396,545, demonstrating budget neutrality based on the hypothetical expenditures across the five-year waiver period.

With Waiver Projections					
	Demo Year 1	Demo Year 2	Demo Year 3	Demo Year 4	Demo Year 5
Per Capita Costs for Covered CT (PMPM)	\$160.26	\$168.27	\$176.68	\$185.51	\$194.79
Projected Covered CT Member Months	224,652	399,516	464,700	467,024	469,359
Total Cost	\$36,002,730	\$67,226,557	\$82,103,196	\$86,637,622	\$91,426,440

Note: Totals may differ due to rounding. Total Cost is calculated as PMPM multiplied by member months.

### *Disclosures*

In preparing these projection estimates, Mercer relied on readily available State-specific information and guidance from the State. Mercer reviewed the data and information for internal consistency and reasonableness but did not audit them. The suppliers of data are solely responsible for its validity and completeness.

All estimates are based upon the information and data available at a point in time and are subject to unforeseen and random events, and actual experience will vary from estimates.

This document is intended to support the State's 1115 waiver application and related public notice requirements. Mercer expressly disclaims responsibility, liability, or both for any reliance on this communication by third parties or the consequences of any unauthorized use. To the best of Mercer's knowledge, there are no conflicts of interest in performing this work.

## **VI. PROPOSED WAIVERS AND EXPENDITURE AUTHORITIES**

Connecticut is requesting expenditure authority pursuant to section 1115(a)(2) of the Social Security Act for expenditures for Covered CT Access Health CT subsidies (including premium and cost-sharing subsidies), Demonstration dental services and Demonstration NEMT services provided to:

- 1) Parents and caretaker relatives, and their tax dependents under 26 years of age, who:
  - i) are ineligible for Medicaid because their income exceeds the Medicaid income limits but does not exceed 175% of the FPL, and
  - ii) enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.
- 2) Non-pregnant low-income adults who:
  - i) are ages 19 to 64,
  - ii) are ineligible for Medicaid because their income exceeds the Medicaid income limits but does not exceed 175% of the FPL, and
  - iii) enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.

DSS has not identified the need for any waivers of section 1902 of the Social Security Act.



## **VII. DEMONSTRATION HYPOTHESES AND EVALUATION**

The table below presents an overview of the preliminary plan to evaluate the Demonstration. It is subject to change and will be further defined as the program is implemented. The sample measures are not final and do not represent an exhaustive list of measures that could be used to test each hypothesis. DSS will evaluate the impact of the Demonstration on health disparities and health equity through the final performance measures, stratified by data available on race, ethnicity, and income.

<b>Hypothesis</b>	<b>Sample Measures</b>	<b>Data Sources</b>
<b>1) Improve the affordability of health insurance coverage</b>		
<b>The availability of free health insurance coverage for Demonstration-eligible individuals will reduce the percentage of low-income people with high medical cost burden, and reduce race/ ethnicity-based disparities.</b>	<ul style="list-style-type: none"> <li>Percent of people with a high medical cost burden</li> </ul>	Census Bureau, Current Population Survey's Annual Social and Economic Supplements (CPS)
<b>2) Promote health insurance coverage</b>		
<b>The availability of free health insurance coverage for Demonstration-eligible individuals will increase the number of people who enroll in QHP coverage available through Access Health CT.</b>	<ul style="list-style-type: none"> <li>Number of low-income people who enroll in QHP coverage available through Access Health CT</li> </ul>	Data from the state eligibility and enrollment system shared by Medicaid, CHIP and Access Health CT
<b>3) Ensure stable coverage</b>		
<b>The availability of free health insurance coverage for Demonstration-eligible individuals will increase the number of people who maintain healthcare coverage when their Medicaid coverage ends</b>	<ul style="list-style-type: none"> <li>Number of people who lose Medicaid coverage and enroll in the Demonstration without a break in coverage</li> </ul>	The state eligibility and enrollment system shared by Medicaid, CHIP and Access Health CT

<b>4) Reduce the statewide uninsured rate</b>		
<b>The availability of free health insurance coverage for Demonstration-eligible individuals will reduce the rate of working-age adults without health insurance coverage.</b>	<ul style="list-style-type: none"> <li>Percentage of working-age adults without health insurance coverage</li> </ul>	Census Bureau, American Community Survey
<b>5) Improve oral health</b>		
<b>Providing free dental care to Demonstration-eligible individuals will reduce emergency department utilization for dental conditions which can be prevented by timely and effective outpatient care.</b>	<ul style="list-style-type: none"> <li>Number of emergency department visits for ambulatory care sensitive dental conditions per 100,000 member months for adults enrolled in the Demonstration</li> </ul>	Dental Quality Alliance (DQA) adult measures calculated using administrative claims-based data for the HUSKY Health dental program, Connecticut Dental Health Partnership
<b>6) Enable access to medical appointments</b>		
<b>Providing free non-emergent medical transportation to Demonstration-eligible individuals will reduce transportation-related barriers to accessing healthcare.</b>	<ul style="list-style-type: none"> <li>NEMT ride-days per Demonstration enrollee</li> </ul>	Administrative claims-based data from the NEMT broker for HUSKY Health

## **VIII. PUBLIC NOTICE AND TRIBAL CONSULTATION**

As documented in Attachment B, which is attached to this Demonstration application, DSS has complied with all public process and tribal consultation requirements, as described below.

### *Public Notice and Comment*

Pursuant to 42 C.F.R. § 431.408(a)(2)(ii), DSS published an abbreviated public notice in the Connecticut Law Journal, which is the state’s administrative record, on February 8, 2022. Pursuant to 42 C.F.R. § 431.408(a)(z)(1) and (a)(2)(i), DSS posted the full public notice on the DSS website for a public comment period that began on February 8, 2022 and ended on March 11, 2022, which was more than 30 days. The abbreviated and full versions of the public notice referenced above each contains all information required by 42 C.F.R. § 431.408. The full public notice and the draft waiver application are posted on the following dedicated demonstration webpage within the DSS website: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program> and also posted a link to that dedicated webpage on the DSS main page under the “News and Press” section, entitled “Covered Connecticut Section 1115 Demonstration Waiver – Public Comment & Public Hearings.” Those documents have remained posted on that webpage throughout the comment period.

The State utilized additional mechanisms to notify interested parties of the Demonstration, including distributing a link to the public notice on the email list for the state’s legislatively established Medical Assistance Program Oversight Council (MAPOC).

DSS held two electronic public hearings, both of which had electronic and telephone access. Due to public health protocols related to the Coronavirus Disease 2019 (COVID-19) public health emergency, these public hearings were held electronically and open to anyone who wished to participate. The first public hearing was hosted by MAPOC on February 10, 2022. The MAPOC hearing was a legislative process that afforded an interested party the opportunity to learn about the Demonstration and to comment on its contents. The second public hearing was hosted by DSS on February 16, 2022 and provided interested parties the opportunity to learn about the contents of the Demonstration and to comment on its contents.

After completion of the written comment period and public hearings described above, DSS prepared and sent written responses to verbal and written comments received on March 23, 2022, which are included in Attachment B. The responses to comments are also a summary of the comments received and the state’s responses to comments.

### *Tribal Consultation*

There are two federally recognized Indian tribes in Connecticut, the Mashantucket Pequot Tribal Nation and the Mohegan Tribe. In accordance with the State's approved tribal consultation process in the Medicaid State Plan, on February 3, 2022, the State sent an email to tribal representatives of each tribe with a summary of the Demonstration, plus a copy of the abbreviated and full public notices and waiver application (as well as a link to the DSS Demonstration webpage referenced above). The tribal representatives did not send any comments to DSS regarding the Demonstration. This Demonstration does not have a unique or particular impact, nor a direct effect on tribal members, tribes, or tribal health programs or organizations.

**IX. DEMONSTRATION ADMINISTRATION**

Please provide the contact information for the state’s point of contact for the Demonstration application.

William Halsey, LCSW, MBA  
Interim Director of Medicaid and Division of Health Services  
Department of Social Services  
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Hartford, CT 06105  
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## **ATTACHMENT A: BUDGET NEUTRALITY DEMONSTRATION**

The Demonstration budget neutrality worksheets are attached to this sheet.

5 YEARS OF HISTORIC DATA						
SPECIFY TIME PERIOD AND ELIGIBILITY GROUP DEPICTED:						
Covered CT MEG	CY 2016		CY 2017		CY 2018	
	CY 2019		CY 2020		5-YEARS	
TOTAL EXPENDITURES	\$	2,795,224,483	\$	2,896,117,616	\$	3,121,533,895
					\$	3,356,717,597
					\$	3,522,714,175
					\$	15,692,307,766
ELIGIBLE MEMBER MONTHS		4,576,737		4,704,942		4,961,683
						5,159,116
						5,553,398
PMPM COST	\$	610.75	\$	615.55	\$	629.13
					\$	650.64
					\$	634.33
TREND RATES	ANNUAL CHANGE					5-YEAR AVERAGE
TOTAL EXPENDITURE			3.61%		7.78%	7.53%
						4.95%
						5.95%
ELIGIBLE MEMBER MONTHS			2.80%		5.46%	3.98%
						7.64%
						4.95%
PMPM COST			0.79%		2.21%	3.42%
						-2.51%
						0.95%
PMPM COST (NON-NEGATIVE TRENDS)	\$	610.75	\$	615.55	\$	629.13
					\$	650.64
					\$	650.64
					5-Year Average with non-negative trends	1.59%

## DEMONSTRATION WITHOUT WAIVER (WOW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

ELIGIBILITY GROUP	TREND RATE 1	MONTHS OF AGING	BASE YEAR CY 2020	TREND RATE 2	DY 01	DY 02	DY 03	DY 04	DY 05	TOTAL WOW
<b>Covered CT MEG</b>										
<b>Pop Type:</b>	<b>Medicaid</b>									
Eligible Member Months	0.5%			0.5%	224,652	399,516	464,700	467,024	469,359	
PMPM Cost	1.6%	0	\$634.33	1.6%	\$ 663.31	\$ 673.92	\$ 684.70	\$ 695.66	\$ 706.79	
Total Expenditure					\$ 149,013,918	\$ 269,241,823	\$ 318,180,090	\$ 324,889,916	\$ 331,738,248	\$ 1,393,063,994
Program Change:Dental Fee Increase										
										0.5%



## DEMONSTRATION WITH WAIVER (WW) BUDGET PROJECTION: COVERAGE COSTS FOR POPULATIONS

ELIGIBILITY GROUP		CY 2021	DEMO TREND RATE	DEMONSTRATION YEARS (DY)						TOTAL WW
				DY 01	DY 02	DY 03	DY 04	DY 05		
<u>Covered CT MEG</u>										
Pop Type:		Hypothetical								
Elig ble Member Months			0.5%	224,652	399,516	464,700	467,024	469,359		
PMPM Cost		\$ 148.95	5.0%	\$ 160.26	\$ 168.27	\$ 176.68	\$ 185.51	\$ 194.79		
Total Expenditure				\$ 36,002,730	\$ 67,226,557	\$ 82,103,196	\$ 86,637,622	\$ 91,426,440	\$ 363,396,545	

**Budget Neutrality Summary****Without-Waiver Total Expenditures**

	DEMONSTRATION YEARS (DY)					TOTAL
	DY 01	DY 02	DY 03	DY 04	DY 05	
Covered CT MEG	\$ 149,013,918	\$ 269,241,823	\$ 318,180,090	\$ 324,889,916	\$ 331,738,248	\$ 1,393,063,994
<b>TOTAL</b>	\$ 149,013,918	\$ 269,241,823	\$ 318,180,090	\$ 324,889,916	\$ 331,738,248	\$ 1,393,063,994

**With-Waiver Total Expenditures**

	DEMONSTRATION YEARS (DY)					TOTAL
	DY 01	DY 02	DY 03	DY 04	DY 05	
Covered CT MEG	\$ 36,002,730	\$ 67,226,557	\$ 82,103,196	\$ 86,637,622	\$ 91,426,440	\$ 363,396,545
<b>TOTAL</b>	\$ 36,002,730	\$ 67,226,557	\$ 82,103,196	\$ 86,637,622	\$ 91,426,440	\$ 363,396,545
<b>VARIANCE</b>	\$ 113,011,189	\$ 202,015,265	\$ 236,076,894	\$ 238,252,294	\$ 240,311,808	\$ 1,029,667,450

**Historic Data Summary**

		Proxy Medicaid Fee-For-Service Experience				
		CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
Covered CT MEG	Dollars	\$ 2,795,224,483	\$ 2,896,117,616	\$ 3,121,533,895	\$ 3,356,717,597	\$ 3,522,714,175
	Member Months	4,576,737	4,704,942	4,961,683	5,159,116	5,553,398
	PMPM	\$ 610.75	\$ 615.55	\$ 629.13	\$ 650.64	\$ 634.33

**With Waiver PMPM Cost Development**

		PMPM
Covered CT MEG	2021 QHP Related Costs	\$ 127.64
	Dental Services	\$ 16.50
	NEMT Services	\$ 4.81
<b>Total</b>		<b>\$ 148.95</b>

**Covered CT Enrollment Projections by Year**

		Proj. MMs based on Covered CT Eligible Enrollees		
		Year 1	Year 2	Year 3
Covered CT MEG	Member Months	224,652	399,516	464,700

## **ATTACHMENT B: PUBLIC COMMENTS AND RESPONSES**

Below are the State's responses to public comments received during the public comment period, which also include a summary of the comments and, as applicable, how the State has incorporated the comments into this waiver application. The State has also attached the various documents demonstrating the public process, including the public notice, public hearing agendas, copies of the written comments received and the formal responses to public comments (which are the same as the responses pasted immediately below), and tribal notifications.

### **Copy of State's Responses to Comments Sent March 23, 2022**

#### **Program Design**

1. What inspired the program? Do similar programs exist in other states?

**Response:** Covered CT is a product of the 2021 legislative session of the Connecticut General Assembly. The program is intended to expand affordable health care coverage in part by leveraging federal subsidies for exchange-based coverage options. Massachusetts and Vermont have programs that are similar but not identical to Connecticut's program design.

2. How long has it taken to develop the program? What have the State's conversations with CMS been like?

**Response:** DSS and its state partners (Office of Health Strategy, Access Health CT and the Connecticut Insurance Department) have been working to develop the program for many months. We have had multiple informal conversations with the U.S. Centers for Medicare & Medicaid Services (CMS) focused on the program concept. CMS has been a responsive and helpful partner and is committed to officially reviewing our application once it has been formally submitted and after the federal public comment period has closed.

#### **Budget and Finance**

3. Are Section 1115 waivers supposed to be budget neutral? If so, how does the State plan to offset the program costs?

**Response:** As required by federal law in section 1115 of the Social Security Act, section 1115 demonstration waivers must be budget neutral to the federal Medicaid budget. This means it will cost the federal Medicaid program no more with the waiver than without it. There is no need to plan to offset waiver program costs because the cost to the federal

government is projected to be less with the waiver than with a comparable full expansion of Medicaid.

4. What is the State's contingency plan if the enhanced subsidies authorized under the federal American Rescue Plan (ARP) Act are not extended?

**Response:** Should the enhanced subsidies under the ARP end on December 31, 2022, as currently authorized by federal law, or on any date prior to the expiration of the Demonstration, the State would need to revisit the Demonstration's financing and possibly make programmatic changes, such as, but not in any particular order: utilize state funding, reduce eligibility or benefits, cap enrollment, or terminate the Demonstration.

### **Eligibility**

5. What is the State's communications strategy for the program? How will it educate the public and outreach to potentially eligible individuals?

**Response:** As the Demonstration go-live date approaches, the State will launch an outreach campaign to promote enrollment in the program. It will use administrative data from the eligibility and enrollment system shared by Medicaid and Access Health CT to identify potentially eligible individuals for targeted outreach, including adults who are not enrolled in Medicaid but whose children are enrolled in Medicaid or CHIP.

At go-live, individuals enrolled in a silver-level qualified health plan (QHP) will have their premium and cost-sharing amounts reduced to zero and eligible individuals enrolled in a bronze-level plan will be offered the opportunity to move to a free silver-level plan.

More broadly, the State will launch a communications campaign to educate the general public on the availability of the program. It will leverage existing channels, such as member notices, mail, email, online member accounts, websites, social media, press releases, and provider bulletins. Additional methods, such as text messaging, robocalls, radio and television advertising, are being explored. To the extent that the Demonstration goes live during the public health emergency (PHE) winddown period, communications about reapplying for Medicaid will also include information about the availability of the Demonstration program.

6. What is the impact of a parent's enrollment in Covered CT on a child's enrollment in HUSKY Health?

**Response:** Children are eligible for HUSKY Health (*i.e.*, Medicaid or CHIP) regardless of QHP coverage for other family members. A parent's enrollment in Covered CT will not impact a child's enrollment in HUSKY Health.

7. Can you estimate the overlap between children eligible for Medicaid and CHIP and parents eligible for the Covered CT?

**Response:** Currently, children are eligible for Medicaid or CHIP at income levels higher than parents. Covered CT will increase the income limit for parents to 175% of the federal poverty limit (FPL). Medicaid currently covers parents and caretaker relatives up to 160% FPL. DSS estimates that by the final year of the Demonstration, approximately 13,000 parents will enroll in QHP coverage through Covered CT because of its higher income limit.

8. When people are redetermined for Medicaid eligibility, how will they be notified about Covered CT?

**Response:** The State has an integrated eligibility system for Medicaid, CHIP and QHP coverage. When a person's eligibility is redetermined for any of these programs, eligibility for all programs is considered. Enrollees will be notified of the eligibility decision through this integrated system, which includes both letters and electronic means of communication. If determined eligible for Medicaid, they will be automatically enrolled. If determined eligible for Covered CT, they will be notified and offered the opportunity to enroll in QHP coverage immediately.

9. Why do the enrollment projections assume very gradual growth rather than full uptake initially?

**Response:** A key assumption behind these enrollment projections is that many people have had their Medicaid eligibility extended due to the continuous eligibility requirements of the federal COVID PHE. However, when the federal PHE expires, the State will gradually resume redeterminations of eligibility for Medicaid members, and members, who experienced an increase in income, will gradually transition from Medicaid to Covered CT eligibility. Enrollment into the program will be slower for parents than childless adults, because of the availability of Transitional Medical Assistance, which provides an additional year of Medicaid coverage for parents and caretaker relatives.

10. How will the State simplify Covered CT enrollment to reduce the loss of coverage, particularly as people move back and forth between assistance programs?

**Response:** Eligibility and enrollment for Medicaid, CHIP and QHP coverage is already simplified and streamlined by the State's existing integrated eligibility system, which is a single point of entry for determination of eligibility for all three types of healthcare coverage. When a person is determined eligible for Medicaid or CHIP, they are automatically enrolled. When determined eligible for Covered CT, they will be notified of the opportunity to enroll in silver-level QHP coverage offered through Access Health CT. At go-live, individuals enrolled in a silver-level QHP will automatically have their premium and cost-sharing amounts reduced to zero, and eligible individuals enrolled in a bronze-level plan will be offered the opportunity to move to a free silver-level plan.

## **Benefits**

11. Will Covered CT put a strain on access to dental services given that it is projected to add coverage for up to 39,000 individuals?

**Response:** DSS continues to evaluate demand for dental services by Covered CT enrollees and has proposed a rate increase for adult dental services through the Governor's proposed budget adjustments to help ensure access to dental care.

12. What is the ability of the non-emergency medical transportation (NEMT) system to serve more people?

**Response:** DSS continues to evaluate demand for NEMT services by Covered CT enrollees and the capacity of the NEMT system to accommodate this additional population.

13. How can the program help enrollees navigate the complexities of the healthcare system? Can the program fund community-based health navigators or community health workers to help enrollees understand their benefits and how to use them?

**Response:** Demonstration benefits are as specified in state law, with QHP coverage available through Access Health CT and dental care and NEMT benefits delivered through HUSKY Health. Enrollees will have access to resources to help understand QHP choices and how QHP coverage works, including online resources, enrollment specialists, community navigators and customer call centers to help eligible individuals choose a QHP that best meets their individual needs and locate network providers to access covered services.

## **Evaluation**

14. Commenters posed several questions regarding evaluation of the program's impact, including:

- What impact will the program have on access to care?
- How will the program affect service utilization, such as preventive and primary care and emergency department visits?
- Will parents' enrollment in the program impact the way their children use services in HUSKY Health?
- How will differences in covered services and provider networks impact continuity of care for adults who move between Medicaid and QHP enrollment?
- How will future increases in the state's minimum wage affect the affordability of healthcare coverage as the number of state residents who earn too much to qualify for the Covered CT program grows?
- How will health disparities and progress towards health equity be measured?
- How will the State engage enrollees to gather qualitative and quantitative data on enrollee experiences with the program?

**Response:** The waiver application presents an overview of DSS's preliminary plan to evaluate the Demonstration. While it is subject to change and will be further defined as the program is implemented, it currently includes sample measures that may be used to test the Demonstration's hypotheses that providing free QHP coverage and dental care and NEMT services comparable to the benefits under Connecticut Medicaid will: improve the affordability of health insurance coverage; promote health insurance coverage (*i.e.*, increase the number of people who have health insurance coverage through a QHP); ensure stable coverage; reduce the statewide uninsured rate; improve oral health; enable access to medical appointments; and reduce health disparities and improve health equity.

DSS is considering the use of measures from the CMS Adult Core Healthcare Effectiveness Data and Information Set (HEDIS) to answer questions about the impact of the program on service utilization patterns, such as increased preventive and primary care use and decreased emergency department visits. National standards for assessing enrollee experiences, such as Consumer Assessment of Healthcare Providers and Systems (CAHPS) surveys, are also under consideration.

DSS recognizes the importance of understanding health disparities to inform State actions to improve health equity, and the preliminary evaluation plan contemplates the use of methods such as performance measure data stratified by race, ethnicity, and income to track the program's progress as required by state law.



# **PUBLIC NOTICE AND PUBLIC PROCESS DOCUMENTS**

## NOTICE OF CONNECTICUT STATE AGENCIES

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### Notice of Proposed Covered Connecticut (Covered CT) Program

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#### Demonstration Waiver Application Pursuant to Section 1115 of the Social Security Act

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Pursuant to section 17b-8 of the Connecticut General Statutes, as amended, and 42 C.F.R. § 431.408, the State of Connecticut Department of Social Services (DSS) provides notice that it intends to submit the Covered CT Program Demonstration Waiver Application pursuant to section 1115 of the Social Security Act (Demonstration) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS). **Note:** For more information, see below and DSS website at this link, which also includes the full public notice and the proposed demonstration application: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program>. **Public comment and public hearing information are at the bottom of this notice.**

#### **Summary Description of Demonstration**

The Demonstration is intended to be effective on or after July 1, 2022, upon CMS approval. Once approved, the Demonstration will enable federal financial participation (FFP) for the state's expenditures under Covered CT, which would not be allowed under federal law absent this waiver.

Covered CT was established by state legislation in sections 15 through 19, inclusive, of Public Act 21-2 of the June 2021 special session. The intent of this Demonstration is to help close the health insurance affordability gap in a cost-effective manner for low-income individuals who earn too much to qualify for Medicaid but not enough to afford coverage through the state's health insurance marketplace, Access Health CT.

This Demonstration will provide eligible individuals with free Qualified Health Plan (QHP) coverage available through Access Health CT. The State will directly reimburse the plan for the monthly premium and the cost-sharing amounts that the enrollee would normally have to pay with the plan, such as out-of-pocket costs for deductibles, copays, and coinsurance. Enrollees will also receive free dental care and non-emergency medical transportation (NEMT) services, comparable to the benefits under Connecticut Medicaid and provided through the Medicaid delivery and payment system, also known as HUSKY Health. No cost-sharing requirements will apply to benefits provided under the Demonstration. This Demonstration will be available to parents and needy caretaker relatives, and their tax dependents under age 26, and non-pregnant childless adults ages 19 to 64 who have income that is above the Medicaid limit but does not exceed 175% of the federal poverty level (FPL) and enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.

#### **Where the Full Public Notice and Proposed Demonstration Application are Posted**

The full public notice and the proposed Demonstration application are posted on the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/>

Covered-Connecticut-Demonstration-Program. The full public notice and proposed demonstration application may also be obtained upon request from DSS (see below), at any DSS field office, or the Town of Vernon Social Services Department.

#### **Where and When to Submit Written Comments**

**To send comments about the Demonstration, please email:** [Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov) or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. In any correspondence, please reference “Covered CT 1115 Demonstration Waiver.” Please also send any other questions about the Demonstration to this email or mailing address, including requests for a copy of the full public notice or proposed Demonstration application.

Anyone may send DSS written comments about the Demonstration. Written comments must be received by DSS at the above email or mailing address no later than March 11, 2022 (which is more than 30 days after the date of the publication of this notice in the Connecticut Law Journal). Please be advised that written comments received may be posted to one or more state or federal websites.

#### **Public Hearings**

In addition to the opportunity for submitting written comments (see above), DSS will also seek input from the public on the Demonstration at the following public hearings, both of which will include opportunities for members of the public to provide comments:

**1. Public Hearing hosted by the Medical Assistance Program Oversight Council (MAPOC) on Thursday, February 10, 2022, from 9:30 a.m. to 12:00 p.m.,** link and call-in as follows:

Join Zoom Meeting:

<https://zoom.us/j/98132837501?pwd=M3pJd2RuR0VJUENlaS9vUTcrMGovdz09>

Meeting ID: 981 3283 7501

Passcode: 228615

One tap mobile:

+13126266799,,98132837501#,,,,\*228615# US (Chicago)

+19292056099,,98132837501#,,,,\*228615# US (New York)

Dial by your location:

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 981 3283 7501

Passcode: 228615

Find your local number: <https://zoom.us/j/98132837501?pwd=M3pJd2RuR0VJUENlaS9vUTcrMGovdz09>

**2. Public Hearing hosted by DSS, on Wednesday, February 16, 2022, from 9:00 to 11:00 a.m.,** link and call-in as follows:

Join Zoom Meeting:

<https://us06web.zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFByM2JyZURpdz09>

Meeting ID: 841 9726 7498

Passcode: 8L2ihU

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+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 841 9726 7498

Passcode: 266666

Find your local number: <https://us06web.zoom.us/j/84197267498>

For the latest information on the public hearing date, time, and the link/call-in information for each public hearing, please go to the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program> and **please check that website regularly for updates before logging on to the public hearing.**

As a result of restrictions and guidelines to protect public health due to the Coronavirus Disease 2019 (COVID-19) pandemic and ongoing public health emergency declaration(s), the public hearings referenced above are being convened only using electronic means, with opportunity for individuals to participate by electronic device, telephone, or both.

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### Connecticut Office of Higher Education

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#### Notice of Intent to Adopt Electronic Filing Systems

In accordance with the provisions of Connecticut General Statutes § 4-60s, notice is hereby given that the Connecticut Office of Higher Education (OHE) intends to adopt electronic filing systems that would include electronic payments.

Such adoption shall become effective 30 days after this notice has been published in the Connecticut Law Journal.

To request a copy of the description of the electronic filing systems to be adopted, please email [sean.seepersad@ct.gov](mailto:sean.seepersad@ct.gov), including “Description of Electronic Filing Systems” in the subject line.

All written comments, questions, and concerns regarding this adoption may be submitted within 30 days of the publication of this notice in the Connecticut Law Journal to Sean Seepersad, Chief Academic Officer, CT Office of Higher Education, 450 Columbus Boulevard, Suite 707, Hartford, CT 06103 or via email at [sean.seepersad@ct.gov](mailto:sean.seepersad@ct.gov)

## CONNECTICUT DEPARTMENT OF SOCIAL SERVICES

### **Full Public Notice – Notice of Proposed Covered Connecticut (Covered CT) Program Demonstration Waiver Application Pursuant to Section 1115 of the Social Security Act**

**Updated February 3, 2022**

The State of Connecticut Department of Social Services (DSS) proposes to submit the Covered CT Program Demonstration Waiver Application pursuant to section 1115 of the Social Security Act (Act) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS). **Note:** For more information, see below and DSS website at this link, which also includes a copy of the proposed demonstration: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program>. **Public comment and public hearing information are at the bottom of this notice.**

#### **Demonstration Overview**

Pursuant to section 17b-8 of the Connecticut General Statutes, as amended, and 42 C.F.R. § 431.408, DSS provides notice that it intends to submit to CMS the Covered CT Demonstration Waiver pursuant to section 1115 of the Act (Demonstration). The Demonstration is intended to be effective on or after July 1, 2022, upon CMS approval. Once approved, the Demonstration will enable federal financial participation (FFP) for the state's expenditures under Covered CT, which would not be allowed under federal law absent this waiver.

Covered CT was established by state legislation in sections 15 through 19, inclusive, of Public Act 21-2 of the June 2021 special session. The intent of this Demonstration is to help close the health insurance affordability gap in a cost-effective manner for low-income individuals who earn too much to qualify for Medicaid but not enough to afford coverage through the state's health insurance marketplace, Access Health CT. Pursuant to the 2021 state legislation, Covered CT is administered by the state Office of Health Strategy (OHS) in consultation with DSS, Access Health CT, and the Connecticut Insurance Department. Also pursuant to that state legislation, DSS intends to submit this Demonstration to CMS to seek authority under federal law for the state to receive FFP for Covered CT. For reference, the CMS section 1115 demonstration waiver web page is at this link: <https://www.medicaid.gov/medicaid/section-1115-demonstrations/index.html>.

#### **(A) Demonstration Purpose, Goals and Objectives**

##### **Program Description, Including Affected Individuals**

This Demonstration will provide eligible individuals with free Qualified Health Plan (QHP) coverage available through Access Health CT. The State will directly reimburse the plan for the monthly premium and the cost-sharing amounts that the enrollee would normally have to pay with the plan, such as out-of-pocket costs for deductibles, copays, and coinsurance. Enrollees will also receive free dental care and non-emergency medical transportation (NEMT) services, comparable to the benefits under Connecticut Medicaid and provided through the Medicaid delivery and payment system, also known as HUSKY Health. No cost-sharing requirements will apply to benefits provided under the Demonstration.

This Demonstration will be available to parents and needy caretaker relatives, and their tax dependents under age 26, and non-pregnant childless adults ages 19 to 64 who have income that is above the Medicaid limit but does not exceed 175% of the federal poverty level (FPL) and enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.

### Goals and Objectives

The Demonstration includes the following goals and objectives:

1. improve the affordability of health insurance coverage,
2. promote health insurance coverage,
3. ensure stable coverage,
4. reduce the statewide uninsured rate,
5. improve oral health, and
6. enable access to medical appointments.

### **(B) Delivery System, Eligibility, Benefits, and Cost-Sharing**

This Demonstration will not affect or modify the State's current Medicaid program or Children's Health Insurance Program (CHIP). It will not change Medicaid or CHIP State Plan benefits, cost-sharing requirements, delivery system, or payment rates.

### Delivery System

The Demonstration will use the existing applicable delivery system. Specifically, the QHP benefits provided by the Demonstration will use the existing delivery system for QHPs available through Access Health CT. The dental and NEMT benefits provided by the Demonstration will use the existing delivery system for the Medicaid program.

### Eligibility

Two groups of individuals are eligible for the Demonstration, each of which is as follows:

1. **Parents and Needy Caretaker Relatives**, and their tax dependents under 26 years of age, (Parents and Caretaker Relatives) who:
  - i) are ineligible for Medicaid because their income exceeds the Medicaid income limits but does not exceed 175% FPL, and
  - ii) enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.
2. **Childless Adults** who:
  - i) are ages 19 to 64,
  - ii) are not pregnant,
  - iii) are ineligible for Medicaid because their income exceeds the Medicaid income limits but does not exceed 175% FPL, and
  - iv) enroll in a silver-level QHP available through Access Health CT using federal premium subsidies and cost-sharing reductions.

### Benefits

The Demonstration includes the following benefits:

1. **Premium and Cost-Sharing Subsidies** sufficient to provide free coverage under a silver-level QHP available through Access Health CT with federal premium subsidies and cost-sharing reductions. The State will directly reimburse plans for the monthly premium and the cost-sharing amounts that the enrollee would normally have to pay with the plan, such as out-of-pocket costs for deductibles, copays, and coinsurance. Benefits provided by a plan will be delivered by plan providers and paid at plan reimbursement rates.
2. **Dental Care** comparable to the benefits under Connecticut Medicaid, except where dental care is provided by a QHP to dependents under age 26. State law requires QHPs available through Access Health CT to cover dental care for dependents under age 26. For all others, the Demonstration dental care benefit will align in amount, duration, and scope with the comparable benefit available through HUSKY Health, be delivered through the HUSKY Health dental fee-for-service delivery system and be paid at State Plan payment rates.
3. **NEMT Services** comparable to the benefits under Connecticut Medicaid. The Demonstration NEMT benefit will align in amount, duration, and scope with the comparable benefit available

through HUSKY Health, be delivered through the HUSKY Health NEMT broker, and be paid according to the State Plan reimbursement methodology.

### Cost-Sharing

Cost-sharing requirements do not apply to Demonstration benefits.

### **(C) Enrollment Projections and Expenditure Estimates**

The Demonstration is projected to enroll approximately 39,000 individuals over the life of the waiver, including a total of 13,000 Parents and Caretaker Relatives and 26,000 Childless Adults. Across the five-year Demonstration period, the total Demonstration cost is projected to increase aggregate expenditures by approximately \$363,396,545. The draft waiver application provides additional detail regarding these projections, including key assumptions in the calculations. The following table shows projections by year:

<b>Population</b>	<b>Demo Year 1</b>	<b>Demo Year 2</b>	<b>Demo Year 3</b>	<b>Demo Year 4</b>	<b>Demo Year 5</b>
<b>Parents and Caretaker Relatives</b>	2,818	8,991	13,157	13,223	13,329
<b>Childless Adults</b>	15,903	24,302	25,568	25,696	25,824
<b>Total Enrollment</b>	18,721	33,293	38,725	38,919	39,113
<b>Total Annual Aggregate Expenditures</b>	\$36,002,730	\$67,226,557	\$82,103,196	\$86,637,622	\$91,426,440

Section 1115 of the Act requires the Demonstration to be budget neutral to the federal government. Covered CT is a budget-neutral alternative to expanding Medicaid eligibility through the Medicaid State Plan as authorized under federal law in section 1931(b) of the Social Security Act for parents and other caretaker relatives and section 1902(a)(10)(A)(ii)(XX) of the Social Security Act for childless adults with income above 133% of the FPL. Under such authority, both groups would be entitled to full Medicaid coverage.

Per member per month (PMPM) costs associated with the hypothetical expansion of Medicaid eligibility through State Plan authority comprise the Without Waiver (WOW) projections. PMPM costs associated with the Covered CT program, including eligible individuals' share of the cost of



QHP coverage available through Access Health CT, and dental care and NEMT services comparable to the benefit available through HUSKY Health and provided through the HUSKY Health delivery system comprise the With Waiver (WW) projections and those costs also reflect the projected increase in annual aggregate expenditures associated with this proposed Demonstration. The projection assumes that federal funding for enhanced QHP premium subsidies available through section 9661 of the American Rescue Plan Act (ARPA) of 2021, Public Law 117-2, will continue during the entire Demonstration period. Should those ARPA subsidies terminate on December 31, 2022, as currently authorized by federal law, or on any other date prior to the expiration of the Demonstration, the State would need to revisit the Demonstration financing and possibly seek to make programmatic changes, such as, but not in any particular order: increase State funding, reduce eligibility or benefits, cap enrollment, or terminate the Demonstration.

#### (D) Hypotheses and Evaluation

The table below presents an overview of the preliminary plan to evaluate the Demonstration. It is subject to change and will be further defined as the program is implemented. The sample measures are not final and do not represent an exhaustive list of measures that could be used to test each hypothesis.

Hypothesis	Sample Measures	Data Sources
<b>1) Improve the affordability of health insurance coverage</b>		
The availability of free health insurance coverage for Demonstration-eligible individuals will reduce the percentage of low-income people with high medical cost burden, and reduce race/ethnicity-based disparities	<ul style="list-style-type: none"> <li>Percent of people with a high medical cost burden, stratified by income</li> <li>Percent of people with a high medical cost burden, stratified by income and race/ethnicity</li> </ul>	Census Bureau, Current Population Survey's Annual Social and Economic Supplements (CPS)
<b>2) Promote health insurance coverage</b>		
The availability of free health insurance coverage for Demonstration-eligible individuals will increase the number of people who enroll in QHP coverage available through Access Health CT	<ul style="list-style-type: none"> <li>Number of low-income people who enroll in QHP coverage available through Access Health CT</li> </ul>	Data from the state eligibility and enrollment system shared by Medicaid, CHIP and Access Health CT
<b>3) Ensure stable coverage</b>		

The availability of free health insurance coverage for Demonstration-eligible individuals will increase the number of people who maintain healthcare coverage when their Medicaid coverage ends	<ul style="list-style-type: none"> <li>Number of people who lose Medicaid coverage and enroll in the Demonstration without a break in coverage</li> </ul>	The state eligibility and enrollment system shared by Medicaid, CHIP and Access Health CT
<b>4) Reduce the statewide uninsured rate</b>		
The availability of free health insurance coverage for Demonstration-eligible individuals will reduce the rate of working-age adults without health insurance coverage, and reduce race/ethnicity-based disparities	<ul style="list-style-type: none"> <li>Percentage of working-age adults without health insurance coverage, stratified by income</li> </ul>	Census Bureau, American Community Survey
<b>5) Improve oral health</b>		
Providing free dental care to Demonstration-eligible individuals will reduce emergency department utilization for dental conditions which can be prevented by timely and effective outpatient care	<ul style="list-style-type: none"> <li>Number of emergency department visits for ambulatory care sensitive dental conditions per 100,000 member months for adults enrolled in the Demonstration</li> </ul>	Dental Quality Alliance (DQA) Adult Measures calculated using administrative claims-based data for the HUSKY Health dental program, Connecticut Dental Health Partnership
<b>6) Enable access to medical appointments</b>		
Providing free non-emergent medical transportation to Demonstration-eligible individuals will reduce transportation-related barriers to accessing healthcare	<ul style="list-style-type: none"> <li>NEMT ride-days per Demonstration enrollee</li> </ul>	Administrative claims-based data from the NEMT broker for HUSKY Health

## (E) Expenditure and Waiver Authorities

Pursuant to section 1115(a)(2) of the Social Security Act, the State requests that expenditures made by the state for Covered CT benefits for eligible individuals, each as detailed above, shall, for the

period of this Demonstration, be treated as expenditures for which FFP is available under section 1903 of the Social Security Act. DSS has not identified the need for any waivers of section 1902 of the Social Security Act.

### **Where the Proposed Demonstration Application is Posted**

The proposed Demonstration application is posted on the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program>. The proposed Demonstration application may also be obtained upon request from DSS (see below), at any DSS field office, or the Town of Vernon Social Services Department.

### **Where and When to Submit Written Comments**

**To send comments about the Demonstration, please email:** [Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov) or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. In any correspondence, please reference “Covered CT 1115 Demonstration Waiver.” Please also send any other questions about the Demonstration to this email or mailing address, including requests for a copy of the proposed Demonstration application (and/or related materials).

Anyone may send DSS written comments about the Demonstration. Written comments must be received by DSS at the above email or mailing address no later than March 11, 2022 (which is more than 30 days after the date of the publication of the abbreviated public notice in the Connecticut Law Journal). Please be advised that written comments received may be posted to one or more state or federal websites.

### **Public Hearings**

In addition to the opportunity for submitting written comments (see above), DSS will also seek input from the public on the Demonstration at the following public hearings, both of which will include opportunities for members of the public to provide comments:

1. **Public Hearing hosted by the Medical Assistance Program Oversight Council (MAPOC) on Thursday, February 10, 2022, from 9:30 a.m. to 12:00 p.m., link and call-in as follows:**

Join Zoom Meeting:

<https://zoom.us/j/98132837501?pwd=M3pJd2RuR0VJUENlaS9vUTcrMGovdz09>

Meeting ID: 981 3283 7501

Passcode: 228615

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+1 669 900 6833 US (San Jose)  
+1 253 215 8782 US (Tacoma)

Meeting ID: 981 3283 7501

Passcode: 228615

Find your local number: <https://zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYb2JyZURpdz09>

2. **Public Hearing hosted by DSS, on Wednesday, February 16, 2022, from 9:00 to 11:00 a.m., link and call-in as follows:**

Join Zoom Meeting:

<https://us06web.zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYb2JyZURpdz09>

Meeting ID: 841 9726 7498

Passcode: 8L2ihU

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+1 301 715 8592 US (Washington DC)  
+1 346 248 7799 US (Houston)  
+1 669 900 6833 US (San Jose)  
+1 253 215 8782 US (Tacoma)

Meeting ID: 841 9726 7498

Passcode: 266666

Find your local number: <https://us06web.zoom.us/j/kdDU0mhNIIs>

For the latest information on the public hearing date, time, and the link/call-in information for each public hearing, please go to the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program> and **please check that website regularly for updates before logging on to the public hearing.**

As a result of restrictions and guidelines to protect public health due to the Coronavirus Disease 2019 (COVID-19) pandemic and ongoing state and federal public health emergency declarations, the public hearings referenced above are being convened only using electronic means, with opportunity for individuals to participate by electronic device, telephone, or both.

# Connecticut State Department of Social Services

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<https://connect.ct.gov/access/jsp/access/Home.jsp>



[Winter Heating Aid: CT Energy Assistance Program](#) (<http://www.ct.gov/staywarm>)



[Try 'MyDSS'--Our New Mobile App for 24/7, On-the-Go Access!](#) (<http://www.ct.gov/mydss>)



[Child Tax Credits \(Up to \\$3,600\) & Free Tax Preparation Help](#) (/DSS/Communications/Get-the-3600-Child-Tax-Credit-and-Free-Tax-Preparation-Help)



[COVID-19 Vaccine for Children: Information for CT Parents](#) (<https://portal.ct.gov/vaccine-portal/kids>)



[DSS Response to COVID-19](#) (/DSS/Communications/DSS-Response-to-COVID-19)



[Personal Protection Equipment PPE for Home Care Participants Self-Directed](#) (/DSS/Health-And-Home-Care/PPE-Request-Form)



[DSS Field Offices](#) (/DSS/About-the-Department-of-Social-Services/Contact)



[2-1-1 Connecticut Human Service Information - search online or dial 2-1-1](#) (<https://www.211ct.org/>)



[SNAP – Supplemental Nutrition Assistance Program](#) (/DSS/SNAP/Supplemental-Nutrition-Assistance-Program---SNAP)



[CT Pathways - for SNAP Enrollees at Colleges & Educational Partners](#) (/DSS/SNAP/SNAP-Employment-and-Training)



[HUSKY Health](#) (<http://www.ct.gov/hh>)



[Child Support Services](#) (/DSS/Child-Support/Child-Support)



[More Services](#) (/DSS/Most-Popular-Services) >

### [For Clients & Applicants](#)

[Special menu for DSS customers. How to apply, renew & report changes, other key information.](#)

[\(/DSS/Common-Elements/Clients-and-Applicants\)](#)

## **DSS Response to COVID-19**

Information, guidance and resources from DSS in response to COVID-19

(/DSS/Communications/DSS-Response-to-COVID-19)

## **Introducing the MyDSS Mobile App**

MyDSS is a new mobile-friendly app that lets you get benefit status and info from any mobile device!

(/DSS/Mobile/MyDSS-Home)



## News and Press

[2/3/2022](#)

['MyDSS' App Latest Improvement in Connecticut's Digital Government Drive; Web-based App Helps Public Connect with Department of Social Services 24/7 on Any Device](#)

[\(/DSS/Press-Room/Press-Releases/MyDSS-App-Latest-Improvement-in-Connecticut-Digital-Government-Drive\)](#)

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[2/2/2022](#)

[Covered CT Demonstration Waiver - Public Comment & Hearings](#)

[\(/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program\)](#)

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[1/18/2022](#)

[Notice of Intent to Submit Emergency Preparedness and Response Amendment \(Appendix K\) to the Comprehensive Supports Medicaid Waiver, Individual and Family Support Medicaid Waiver, and Employment and Day Supports Medicaid Waiver.](#)

[\(/DSS/Health-And-Home-Care/Medicaid-Waiver-Applications/Medicaid-Waiver-Applications\)](#)

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[12/2/2021](#)

[Governor Lamont Reminds Connecticut Residents About Available Home Heating Assistance](#)

<https://portal.ct.gov/Office-of-the-Governor/News/Press-Releases/2021/12-2021/Governor-Lamont-Reminds-Connecticut-Residents-About-Available-Home-Heating-Assistance>

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[11/30/2021](#)

[Notice of Intent to Submit Emergency Preparedness and Response Amendment \(Appendix K\) to 1915\(c\) Home and Community-Based Medicaid Waivers.](#)

[\(/DSS/Health-And-Home-Care/Medicaid-Waiver-Applications/Medicaid-Waiver-Applications\)](#)

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[More News and Press Results \(/DSS/Press-Room/Press-Releases\)](#) ➤

## Highlights



<a href="#">NEW! Home and Community-Based Services &amp; the American Rescue Plan Act (/DSS/Common-Elements/Home-and-Community-Based-Services)</a>	>
<a href="#">UPDATED! CT Low Income Household Water Assistance Program Opens Applications (/DSS/Highlights/Low-Income-Household-Water-Assistance-Program-Coming-to-CT)</a>	>
<a href="#">NEW! DSS Lien Release Process (/DSS/Highlights/DSS-Lien-Release-Process)</a>	>
<a href="#">UPDATED! - Advisory Board for Transparency on Medicaid Cost and Quality (/DSS/Common-Elements/Advisory-Board-for-Transparency-on-Medicaid-Cost-and-Quality)</a>	>
<a href="#">Personal Protection Equipment (PPE) for Home Care Participants (Self-Directed) (https://dss-pprequest.ct.gov/)</a>	>
<a href="#">Business Intelligence and Big Data (/DSS/ITS/DSS-HealthIT/Business-Intelligence-and-DSS-HealthIT/Business-Intelligence-and-Big-Data)</a>	>
<a href="#">Partners &amp; Vendors (/DSS/Services/Partners-and-Vendors)</a>	>
<a href="#">Connecticut Housing Engagement and Support Services - CHESS (/DSS/Health-And-Home-Care/Connecticut-Housing-Engagement-and-Support/Connecticut-Housing-Engagement-and-Support-Services---CHESS)</a>	>
<a href="#">Data and Program Reports (/DSS/ITS/DSS-HealthIT/Business-Intelligence-and-DSS-HealthIT/Data-and-Program-Reports)</a>	>
<a href="#">CT Fatherhood Initiative (https://www.ct.gov/fatherhood)</a>	>
<a href="#">HUSKY Health and IRS Form 1095-B (/DSS/Common-Elements/1095B)</a>	>
<a href="#">Integrated Care for Kids (/DSS/Health-And-Home-Care/InCK/Integrated-Care-for-Kids)</a>	>
<a href="#">Medicaid Long-Term Care Demand Projections (/DSS/Health-And-Home-Care/Medicaid-Long-Term-Care-Demand-Projections/Medicaid-Long-Term-Care-Demand-Projections)</a>	>
<a href="#">UPDATE! Public Charge: Latest Information (/DSS/Common-Elements/Public-Charge--Special-Information-about-Federal-Rule-Change)</a>	>
<a href="#">Special Notices for Electronic Asset Verification (/DSS/Highlights/Special-Notices-for-Electronic-Asset-Verification)</a>	>
<a href="#">Job Opportunities (/DSS/About-the-Department-of-Social-Services/Job-Opportunities)</a>	>
<a href="#">MyPlaceCT.org (http://www.myplacect.org)</a>	>
<a href="#">Non-Emergency Medical Transportation (/DSS/Health-And-Home-Care/Non-Emergency-Medical-Transportation)</a>	>
<a href="#">Special for Service Partners (/DSS/Common-Elements/Husky-Health-Partners/Husky-Health-Partners)</a>	>
<a href="#">CaringCareers.org (http://www.CaringCareers.org)</a>	>
<a href="#">Report Fraud/Abuse (/DSS/Quality-Assurance/To-Report-Fraud-or-Abuse-of-Programs)</a>	>
<a href="#">AccessHealthCT.com (http://www.AccessHealthCT.com)</a>	>
<a href="#">HUSKY Health (http://www.ct.gov/hh)</a>	>
<a href="#">Register Online to Vote (/DSS/Common-Elements/Register-Online-to-Vote)</a>	>

Tweets by @ctdss




**CT Social Services**  
@ctdss

ICYMI--good news for quality health insurance thru the Covered CT Program! Services/eligibility expanding w/federal help--public hearings Feb.10 & 16, plus comment period til March 11. More at [portal.ct.gov/DSS/Health-And...](http://portal.ct.gov/DSS/Health-And...) @OHS\_CT @AccessHealthCT @CIDNEWS @CTDPH

**Covered Connecticut Demonstration Program**  
[portal.ct.gov](http://portal.ct.gov)

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**CT Social Services**  
@ctdss

Check out 'MyDSS,' our new mobile-friendly app! Gives DSS clients quick & convenient access to benefit accounts & other key documents/actions from any mobile device. Info & sign-up, pls visit [mydss.ct.gov](http://mydss.ct.gov) @CAFCA\_Inc @EndHungerCT @goALLIANCECT @NewOppInc21 @CAAWC @DCF

Commissioner Deidre S. Gifford, MD, MPH



We hope you find this website both helpful and informative. Please add us to your bookmarks and check back frequently for up-to-date information on the services we offer.

## About Department of Social Services

[About the Commissioner \(/DSS/About-the-Department-of-Social-Services/Commissioner\)](/DSS/About-the-Department-of-Social-Services/Commissioner)



[Department Overview \(/DSS/About-the-Department-of-Social-Services\)](/DSS/About-the-Department-of-Social-Services)



[Organization Structure - Divisions \(/DSS/About-the-Department-of-Social-Services/Organization-Structure\)](/DSS/About-the-Department-of-Social-Services/Organization-Structure)



[Field Office Locations \(/DSS/About-the-Department-of-Social-Services/Contact\)](/DSS/About-the-Department-of-Social-Services/Contact)



[Publications \(/DSS/Lists/Publications\)](/DSS/Lists/Publications)




[DSS Presentations and Legislative Testimony \(/DSS/Common-Elements/DSS-Presentations-and-Legislative-Testimony\)](/DSS/Common-Elements/DSS-Presentations-and-Legislative-Testimony)




[Uniform Policy Manual - UPM \(/DSS/Lists/Uniform-Policy-Manual\)](/DSS/Lists/Uniform-Policy-Manual)



## Social Media

 [Facebook \(https://www.facebook.com/ctdss?\\_rdr=\)](https://www.facebook.com/ctdss?_rdr=)

 [Twitter \(http://twitter.com/ctdss\)](http://twitter.com/ctdss)

 [YouTube \(https://www.youtube.com/channel/UCMCA6bgwllYYtfE6F-Wa5MQ\)](https://www.youtube.com/channel/UCMCA6bgwllYYtfE6F-Wa5MQ)

[Video Sign Language Interpreting Available in all DSS Offices \(/DSS/About-the-Department-of-Social-Services/Contact\)](/DSS/About-the-Department-of-Social-Services/Contact)



[Please follow this link to view the DSS Non-Discrimination Statement \(/DSS/Common-Elements/Non-Discrimination-Statement\)](/DSS/Common-Elements/Non-Discrimination-Statement)



## Contact

### Department of Social Services

[General Guidance \(/DSS/Common-Elements/General-Guidance\)](/DSS/Common-Elements/General-Guidance)



[Client Information Line and Benefits Center \(/DSS/Common-Elements/DSS-Client-Information-Line-and-Benefits-Center\)](/DSS/Common-Elements/DSS-Client-Information-Line-and-Benefits-Center)



[Toll-Free Numbers \(/DSS/Common-Elements/Toll-Free-Numbers\)](/DSS/Common-Elements/Toll-Free-Numbers)





# Covered Connecticut Demonstration Program

[Overview \(/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program\)](#)

Provided by:

**[Department of Social Services \(/DSS\)](#)**

## Overview

### Public Comment & Public Hearings – Covered CT Section 1115 Demonstration Waiver

The Department of Social Services (DSS), in collaboration with the Office of Health Strategy, Access Health CT, and the Connecticut Insurance Department, proposes the Covered CT demonstration waiver under section 1115 of the Social Security Act, described below. For public review and comment, please see the following documents:

- **[Full Public Notice](#)** (posted 02/03/2022)
- **[Waiver Application – Draft for Public Comment](#)** (posted 02/03/2022)

**Public Comments:** Written comments are accepted from February 3, 2022 through March 11, 2022. Please send comments to: **[Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov)** (<mailto:Public.Comment.DSS@ct.gov>) (see public notice for more detail)

**Public Hearings:** There will be two electronic public hearings (accessible by electronic device and telephone). Links and call-in information below. Please check this webpage regularly for updates before logging onto the public hearing.

1. **[Public Hearing hosted by the Medical Assistance Program Oversight Council \(MAPOC\) on Thursday, February 10, 2022, from 9:30 a.m. to 12:00 p.m.](#)**, link and call-in as follows:

Join Zoom Meeting: **<https://zoom.us/j/98132837501?pwd=M3pjd2RuR0VJUENlaS9vUTcrMGovdz09>**  
(**<https://zoom.us/j/98132837501?pwd=M3pjd2RuR0VJUENlaS9vUTcrMGovdz09>**)

Meeting ID: 981 3283 7501

Passcode: 228615

One tap mobile:

+13126266799,,98132837501#,,,,\*228615# US (Chicago)

+19292056099,,98132837501#,,,,\*228615# US (New York)

Dial by your location:

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 346 248 7799 US (Houston)

+1 253 215 8782 US (Tacoma)

Meeting ID: 981 3283 7501

Passcode: 228615

Find your local number: <https://zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYMDJyZURpdz09> (<https://zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYMDJyZURpdz09>).

2. Public Hearing hosted by DSS, on Wednesday, February 16, 2022, from 9:00 to 11:00 a.m., link and call-in as follows:

Join Zoom Meeting: <https://us06web.zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYMDJyZURpdz09>  
(<http://us06web.zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYMDJyZURpdz09>).

Meeting ID: 841 9726 7498

Passcode: 8L2ihU

One tap mobile

+13126266799,,84197267498#,,,,\*266666# US (Chicago)

+19292056099,,84197267498#,,,,\*266666# US (New York)

Dial by your location

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+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

Meeting ID: 841 9726 7498

Passcode: 266666

Find your local number: <https://us06web.zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYMDJyZURpdz09> (<https://us06web.zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYMDJyZURpdz09>).

### Summary of Covered CT

Covered CT was established by state legislation in sections 15 through 19, inclusive, of Public Act 21-2 of the June 2021 special session. The intent of this Demonstration is to help close the health insurance affordability gap in a cost-effective manner for low-income individuals who earn too much to qualify for Medicaid but not enough to afford coverage through the state's Health Insurance Marketplace, Access Health Connecticut (Access Health). The law further directs the Connecticut Department of Social Services (DSS) to submit a demonstration waiver application pursuant to section 1115 of the Social Security Act (Demonstration) to the U.S. Centers for Medicare and Medicaid Services (CMS) to provide federal matching funding for the program. DSS is working in collaboration with various state partners in the design and implementation of this program, including the Office of Health Strategy, Access Health Connecticut, and the Connecticut Insurance Department.



After federal approval and upon implementation, this Demonstration will provide eligible individuals with free Qualified Health Plan (QHP) coverage available through Access Health. The State will directly reimburse the plan for the monthly premium and the cost sharing amounts that the enrollee would normally have to pay with the plan, such as out-of-pocket costs for deductibles, copays, and coinsurance. Enrollees will also receive free dental care and non-emergency transportation (NEMT) services, comparable to the benefits under Connecticut Medicaid and provided through the Medicaid delivery and payment system, also known as HUSKY Health. No cost sharing requirements will apply to benefits provided under the Demonstration. This Demonstration will be available to parents and needy caretaker relatives, and their tax dependents under age 26, and non-pregnant childless adults ages 19 to 64 who have income that is above the Medicaid limit but does not exceed 175% of the federal poverty level (FPL) and enroll in a silver-level QHP available through Access Health using federal premium subsidies and cost-sharing reductions.

General information about section 1115 demonstrations is posted to the CMS website at this link:

<https://www.medicaid.gov/medicaid/section-1115-demonstrations/index.html> (<https://www.medicaid.gov/medicaid/section-1115-demonstrations/index.html>). In addition, after the demonstration waiver for Covered Connecticut has been formally submitted to CMS (which will not occur until after the state's public comment process and any additional analysis has been completed), the Covered Connecticut 1115 application will be accessible from this webpage: <https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html> (<https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/index.html>) (select the appropriate filters within the webpage to find the relevant waiver application).



## Norwood, Joel C.

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**From:** Kaplan, David <David.Kaplan@cga.ct.gov>  
**Sent:** Thursday, February 3, 2022 4:27 PM  
**To:** Rep. Abercrombie, Catherine; Sen. Abrams, Mary  
**Subject:** 2-10-22 MAPOC Full Council -Covered CT 1115 Demonstration - Public Comment & Public Hearings [not-secure]  
**Attachments:** Covered CT 1115 - Full Pub Notice - Final - 02-03-22.pdf; Covered CT 1115 - Waiver App - 02-03-22 - Draft for Public Comment.pdf; MAPOC2-10-2022 Agenda.doc

Dear Members of MAPOC and Affiliates:

**PLEASE NOTE: CHANGE OF DATE and PURPOSE:** The **Thursday, February 10, 2022** MAPOC Full Council meeting will be a Public Hearing with Public Comment on the *Covered CT 1115 Demonstration*. Please see below for more information. Thank you.

Sincerely,

### David Kaplan

Behavioral Health Partnership Oversight Council  
Legislative Office Building Room 3000  
Hartford, CT 06106  
860-240-0346  
Info Line 860-240-8329  
(F) 860-240-5306  
[david.kaplan@cga.ct.gov](mailto:david.kaplan@cga.ct.gov)

Below and attached are materials for public comment for the proposed Covered CT 1115 demonstration waiver. The first public hearing listed below will take the place of the regular MAPOC meeting on Thursday, February 10, 2022 at 9:30 a.m.

### Public Comment & Public Hearings – Covered CT Section 1115 Demonstration Waiver

The Department of Social Services (DSS), in collaboration with the Office of Health Strategy, Access Health CT, and the Connecticut Insurance Department, proposes the Covered CT demonstration waiver under section 1115 of the Social Security Act. For public review and comment, attached are the full public notice and the proposed waiver application, which are also posted to the DSS webpage at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program>

**Public Comments:** Written comments are accepted from February 3, 2022 through March 11, 2022. Please send comments to: [Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov) (see public notice for more detail)

**Public Hearings:** There will be two electronic public hearings (accessible by electronic device and telephone). Links and call-in information below. Please check the DSS webpage listed above for updates before logging onto the public hearing.

1. Public Hearing hosted by the Medical Assistance Program Oversight Council (MAPOC) on Thursday, February 10, 2022, from 9:30 a.m. to 12:00 p.m., link and call-in as follows:

State of Connecticut Department of Social Services  
Covered Connecticut Demonstration Waiver Pursuant to Section 1115 of the Social Security Act  
Waiver Application Submitted to CMS - Attachment B - Public Process Documents  
Attachment B, Page 30

Join Zoom Meeting: <https://zoom.us/j/98132837501?pwd=M3pJd2RuR0VJUENlaS9vUTcrMGovdz09>  
Meeting ID: 981 3283 7501  
Passcode: 228615

One tap mobile:  
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+1 301 715 8592 US (Washington DC)  
+1 346 248 7799 US (Houston)  
+1 669 900 6833 US (San Jose)  
+1 253 215 8782 US (Tacoma)

Meeting ID: 981 3283 7501  
Passcode: 228615

Find your local number: <https://zoom.us/u/atRVPaMKQ>

2. Public Hearing hosted by DSS, on Wednesday, February 16, 2022, from 9:00 to 11:00 a.m., link and call-in as follows:

Join Zoom Meeting:  
<https://us06web.zoom.us/j/84197267498?pwd=U1dMNDVEcStXY2UyZFBYm2JyZURpdz09>  
Meeting ID: 841 9726 7498  
Passcode: 8L2ihU

One tap mobile  
+13126266799,,84197267498#,,,,\*266666# US (Chicago)  
+19292056099,,84197267498#,,,,\*266666# US (New York)

Dial by your location  
+1 312 626 6799 US (Chicago)  
+1 929 205 6099 US (New York)  
+1 301 715 8592 US (Washington DC)  
+1 346 248 7799 US (Houston)  
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+1 253 215 8782 US (Tacoma)

Meeting ID: 841 9726 7498  
Passcode: 266666

Find your local number: <https://us06web.zoom.us/j/kdDU0mhNIs>

# COVERED CT – 1115 WAIVER APPLICATION

Department of Social Services  
Office of Health Care Strategy  
Access Health CT  
Connecticut Insurance Department

- Public Hearing
- February 10, 2022

# BACKGROUND AND PURPOSE OF COVERED CT

- Established by state legislation in sections 15 through 19 of Public Act 21-2 of the June special session
- The law directs the Department of Social Services (DSS) to submit a demonstration waiver application pursuant to section 1115 of the Social Security Act (Demonstration) to the U.S. Centers for Medicare and Medicaid Services (CMS) to provide federal matching funding for the program
- DSS is working in collaboration with various state partners in the design and implementation of this program, including the Office of Health Strategy (OHS), Access Health CT, and the Insurance Department (CID)

# STATE OBJECTIVES

- The intent of this Demonstration is to help close the health insurance affordability gap in a cost-effective manner for low-income individuals who earn too much to qualify for Medicaid but not enough to afford comprehensive and affordable coverage through the state's health insurance marketplace, Access Health CT
- The goals and objectives for Covered CT include:
  - Improve the affordability of health insurance coverage by reducing co-pays and deductibles
  - Promote health insurance coverage
  - Ensure stable coverage
  - Reduce the statewide uninsured rate
  - Improve oral health
  - Enable access to medical appointments by reducing transportation barriers

# ELIGIBILITY

- This Demonstration will be available to the following eligibility groups:
  - Parents and caretaker relatives and their tax dependents under age 26
  - Adults ages 19 to 64 without dependents
- Eligible individuals must have income above the Medicaid limit, but not exceeding 175% of the federal poverty level (FPL) (\$48,563 for a family of four) and must also enroll in a silver-level Qualified Health Plan (QHP) available through Access Health using federal premium subsidies and cost-sharing reductions

# BENEFITS

- After federal approval and upon implementation, this Demonstration will provide eligible individuals with no cost QHP coverage available through Access Health CT
- The State will directly reimburse the plans for the monthly premiums and the cost-sharing amounts that the enrollee would normally have to pay, such as out-of-pocket costs for deductibles, copays, and co-insurance
- Enrollees will also receive no cost dental care and non-emergency medical transportation (NEMT) services, comparable to the benefits under Connecticut Medicaid and provided through the Medicaid delivery and payment system, also known as HUSKY Health
- No cost-sharing requirements will apply to benefits provided under the Demonstration
- The Medicaid waiver authority allows the state to receive federal match on the expenditures incurred to cover the out-of-pocket expenses, premiums, cost-sharing, dental and NEMT services.

# PROJECTED ENROLLMENT

Population	Demo Year 1	Demo Year 2	Demo Year 3	Demo Year 4	Demo Year 5
Parents and Caretaker Relatives	2,818	8,991	13,157	13,223	13,289
Adults without dependents	15,903	24,302	25,568	25,696	25,824
Total Enrollment	18,721	33,293	38,725	38,919	39,113



# ADDITIONAL INFORMATION

- Information about this Demonstration is also posted to the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program>
- Second public hearing hosted by DSS on Wednesday, February 16, 2022 from 9:00 to 11:00 a.m.
- Written comments accepted through March 11, 2022 at [Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov)

# COVERED CT – 1115 WAIVER APPLICATION

Department of Social Services  
Office of Health Strategy  
Access Health CT  
Connecticut Insurance Department

- Public Hearing
- February 16, 2022

# BACKGROUND AND PURPOSE OF COVERED CT

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# ADDITIONAL INFORMATION

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<https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program>
- Written comments accepted through March 11, 2022 at  
[Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov)



Connecticut Department of Social Services  
Covered Connecticut (Covered CT) Proposed Demonstration Waiver  
Pursuant to Section 1115 of the Social Security Act

**Links to Recordings of Public Hearings**

(Updated February 16, 2022)

Link to Recording of the February 10, 2022 MAPOC/DSS Public Hearing-

<https://zoom.us/rec/share/J45x4OoTJGZVTqP1asIWDWZGU4LUk31JdQHgDgT7bwprW-7ikVLjRJTCUoHFDKeX.TsTDK7OGNUjkWzYT> (Passcode: %euGL2@M)

Link to Recording of the February 16, 2022 DSS Public Hearing- Covered CT Section 1115  
Demonstration Waiver

[https://us06web.zoom.us/rec/share/ODj-oc9gZzuYyMdzeNr7lgOW\\_jJSb7-UWHQP\\_a0fY9Yn-mklifyDiHH2AtVqVXZ.2faxXOxiRAuhXHgV](https://us06web.zoom.us/rec/share/ODj-oc9gZzuYyMdzeNr7lgOW_jJSb7-UWHQP_a0fY9Yn-mklifyDiHH2AtVqVXZ.2faxXOxiRAuhXHgV) (Passcode: .2C%pnz5)



### Covered CT Demonstration Waiver

Council on Medical Assistance Program Oversight (MAPOC) & Department of Social Services (DSS)  
February 2022

Dear esteemed members of the MAPOC and DSS,

Please accept these comments on behalf of Health Equity Solutions, a nonprofit organization with a statewide focus on promoting policies, programs, and practices that result in equitable health care access, delivery, and outcomes for all people in Connecticut. Our vision is for every Connecticut resident to attain optimal health regardless of race, ethnicity, or socioeconomic status.

Health Equity Solutions has made several public comments and repeatedly testified on the disparities in access to health insurance in Connecticut, which are rooted in systemic racism and disproportionately impact people of color. We support the state's efforts to create affordable health insurance options for more of Connecticut's residents and **urge the state to carefully track Covered CT** to evaluate its ability to reduce inequities in health care coverage and cost experienced by Black, Indigenous, Latino/a, and other people of color in our state.

The impact of Covered CT will depend on both enrollment and utilization. **We strongly urge the state to fund community-based health navigators or community health workers (CHWs)** to ensure people are able to navigate the increasingly complex health insurance options and access care. Very few individuals have enrolled in Covered CT in the months since the option became available in July. While this may be due in part to some caregivers remaining enrolled in HUSKY due to the pandemic-related maintenance of effort requirements, this also suggests that Covered CT marketing efforts are not reaching eligible individuals. More targeted outreach through trusted, community- and faith-based organizations would build on lessons learned from pandemic-related outreach. In addition, the dental and transportation benefits are key to the wellbeing of enrollees and navigators could play a vital role in ensuring Covered CT enrollees are aware of and know how to use these benefits.

Further, churn—individuals moving on and off of HUSKY due to changes in income or difficulty filing paperwork—has long been a concern. According to presentations by the state's Medicaid program, prior to the pandemic nearly 25% of HUSKY D members were disenrolled at least once per year. Thus, it is likely that a significant number of state residents will be enrolled in both Covered CT and HUSKY in any given year. While Covered CT increases the possibility these residents will remain insured, the process remains confusing. Those moving from HUSKY to Covered CT will see a change in covered benefits and provider networks. Enrollees, particularly those with chronic health care needs, may find it difficult to maintain continuity of care should their HUSKY provider not accept their new coverage or vice versa.

As noted in the Waiver Application, redeterminations at the end of the public health emergency are anticipated to result in many state residents being found ineligible for HUSKY and offered enrollment in Covered CT. Therefore, actively supporting CHWs and community-based health navigators as a strategy within the public communications campaign is critical for residents from minoritized communities to receive the services for which they are eligible.



**Connecticut should also consider an “[easy enrollment](#)” option**, like those being implemented and considered in other states. These efforts rely on tax filings to determine eligibility and engage in outreach to eligible individuals. While tax-based processes only reach individuals who file taxes, some states are also pursuing automatic enrollment processes, especially for individuals who lose Medicaid eligibility.

To promote health equity and ensure Covered CT is serving our state as intended, ***it is important to track the progress of this new program and course-correct when necessary.*** To that end, we recommend the following:

- Stratify all metrics by race, ethnicity and, where possible, language consistent with the [PA 21-35 race, ethnicity and language data collections standards](#)
- Ensure metrics assess program quality and responsiveness to diverse needs of enrollees; for example, process measures such as the number of rides completed do not offer insight regarding whether transportation services were timely or adequate to meet enrollees’ needs
- Require Covered CT to engage in enrollee outreach to gather qualitative and quantitative data on enrollee experience for quality improvement
- Track utilization, particularly of dental and transportation services, and state expenditures to cover cost sharing; low utilization can be an indicator of network inadequacy or uncertainty about the cost and process for using the insurance coverage
- Consider the adequacy of dental and NEMT networks to ensure care is accessible to all HUSKY and Covered CT enrollees
- Develop a clear plan for how the state will ensure access to affordable health care if enhanced premium subsidies should expire
- Develop clear, simple messaging on how Covered CT enrollees can seek support when receiving an errant bill from a provider; messaging should be included in standard enrollment and renewal communications and via navigators, as described above to ensure enrollees know their costs are covered

Finally, we note that while the Waiver Application discusses recent increases in the state’s minimum wage, an adult working full-time and earning minimum wage today, before the additional increases in July 2022 and June 2023, already exceeds eligibility for Covered CT for a household of one. In other words, affordability will remain a concern for many households. ***Evaluating Covered CT carefully will enable the state to make informed choices about how best to extend affordable health coverage to the many residents who remain unable to access health care.***

Thank you for the opportunity to submit this comment on the Covered CT Program Demonstration Waiver Application. I can be reached with any questions at [ksiegel@hesct.org](mailto:ksiegel@hesct.org) or 860.937.6437.



Affiliate: Columbia University Vagelos College of Physicians and Surgeons  
A Planetree Hospital  
A Magnet® Recognized Hospital

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**Department of Social Services'  
Application Pursuant to Section  
Security Act**

Stamford Health appreciates this opportunity to submit testimony supporting The Department of Social Services' ("DSS") Covered Connecticut waiver application under Section 1115 of the Social Security Act. We see this as a significant part of improving the health and well-being of Connecticut residents.

Stamford Health is a comprehensive, independent, non-profit system serving lower Fairfield and Westchester counties. We employ more than 3,700 people, making us the largest employer in the city of Stamford and one of the largest in Fairfield County. Beyond the lifesaving care we provide 24 hours a day, 365 days a year, we contribute more than \$1 billion to our state and local economy and provide more than \$90 million in uncompensated care to the residents that need it most. We are committed to providing friendly, personal care coupled with the most sophisticated services to residents.

DSS's Application for a five-year demonstration project to implement Covered Connecticut would provide critically needed health insurance coverage to those who earn too much to qualify for Medicaid but are under 175% of the federal poverty level (FPL). Coverage would come at no cost for the enrollee. The demonstration project would cover the cost of premiums, co-insurance, deductibles and co-payments. Providers would be paid directly. Enrollees would receive coverage under a silver-level plan on the state's health insurance exchange.

We applaud the commitment of the Governor and the General Assembly to expand health care for residents who are struggling through the Covered Connecticut legislation. We strongly support DSS's Application. Especially now, during the pandemic, we know many patients need access to health insurance related to the long-term impacts of COVID-19. Over 724,833 cases of COVID-19 have been confirmed in this state. Last November, the Journal of American Medical Association (JAMA) estimated that at least 50 percent of people who survive COVID-19 experience lingering effect for at least six months. Of those, about 20 percent experience

decreased mobility, 25 percent have difficulty thinking or concentrating, 30 percent develop anxiety disorder, 25 percent have breathing problems and 20 percent have hair loss or skin rashes. Moreover, cardiac and gastrointestinal problems are also common. We know COVID-19 hit the socially vulnerable and older residents the hardest. The proposed DSS 1115 waiver demonstration program will certainly be needed from a health perspective. We hope that the worst is behind us, but we know that the virus is still circulating, and we are uncertain about what lies ahead. This demonstration waiver is an important investment.

In addition to COVID care, we know that many patients delayed or did not seek health care during the pandemic and that many lost their jobs perhaps leading to ongoing delays in care. Anecdotally, we hear from our cancer and heart specialists that they see cases that, with earlier interventions, would be less invasive for the patient and reduce costs to the healthcare system. This demonstration project could provide critical care to a population most likely to avoid proper screenings and other health care due to costs.

Stamford Health appreciates the holistic approach the General Assembly and Administration took last year by also authorizing a state-funded medical assistance program for immigrants which will go into effect in January 2023. We testified in support of this program and will testify in support of its proposed age expansion in this legislative session. The past two years have shown us how the health of each of us can impact all of us. The immigrant population needs to be able to access health care.

Stamford Health's triennial Community Needs Health Assessment (CHNA) conducts extensive quantitative and qualitative assessments of our service area's most pressing needs. Access to health even prior to the pandemic, ranks among the highest. We are pleased to support DSS's effort to help those struggling financially access health care.

Thank you for your consideration of our views. Should you have any questions, please contact Ben Wade, Senior Vice President of Strategy and Marketing. He may be reached at [BWade@Stamhealth.org](mailto:BWade@Stamhealth.org).



**Disability Rights Connecticut**  
"Connecticut's protection and advocacy system"

**846 Wethersfield Avenue  
Hartford, CT 06114**

**March 11, 2022**

**Re: Comments re Covered CT/Proposed Section 1115 Demonstration Waiver**

Thank you for the opportunity to comment on the proposed demonstration waiver. The waiver application states, at page 4:

"This expenditure projection **assumes** that the enhanced QHP premium subsidies available through section 9661 of the American Rescue Plan Act of 2021 (ARP), Public Law 117-2, **will continue throughout the five-year Demonstration period.**"

And that:

*"Should the enhanced ARP subsidies **end on December 31, 2022, as currently authorized by federal law**, or on any date prior to the expiration of the Demonstration, the State would need to revisit the Demonstration financing and possibly make programmatic changes, such as, but not in any particular order: increase State funding, reduce eligibility or benefits, cap enrollment, or terminate the Demonstration."*

There is indeed great uncertainty about the ARPA funding beyond 12/22. While we hope the extra premium subsidies under ARPA can be extended, President Biden has to date not been very successful in such efforts. The whole premise of the Covered CT plan and the waiver, to make affordable health insurance available for more people with the same state funds, by leveraging extra federal funds made available to the states, may come to a close by the end of this year.

Accordingly, while submitting this waiver application, it warrants doing some **contingency planning** now in case the status quo of a termination of ARPA funds on 12/22 unfortunately does not change. In that event, it warrants looking at the other option discussed in the documents -- a straight Medicaid state plan instead.

The main advantage of the Medicaid expansion as a contingent alternative is that it would rely upon a very stable 50% match for all expenditures, under permanent provisions of the Medicaid Act. There are other advantages of a Medicaid expansion over the subsidized Qualified Health Plan (QHP) option as well, even if it costs the same to the state taxpayers, including:

1. Medicaid coverage is broader than what is available even with fully subsidized coverage on the exchange. While the waiver proposes to address some of the gap by providing NEMT and dental services equivalent to what Medicaid provides, it is not just NEMT and dental one gets with Medicaid versus a QHP. E.g., Medicaid has much broader drug coverage, much broader home care and DME benefits, eyeglass coverage, etc. Medicaid also does not allow for hard quantity limits such as are routinely applied by commercial insurers on the exchange.
2. The entities doing prior authorization review requests under Medicaid are non-risk ASOs, without the direct financial incentive to deny care as exists with commercial insurers on the exchange, so there are fewer obstacles to care.
3. And from a systems point of view, delivery of health services through Medicaid and ASOs is highly efficient -- with a 97% medical loss ratio—far higher than is possible with risk-based insurance companies offering insurance on the exchange, which must produce profits for their shareholders.

In sum, because of the likely event that ARPA subsidies will not be extended, we urge that policy-makers begin contingency planning for a possible Medicaid expansion as the alternative. And, in that event, the Medicaid expansion up to 175% of FPL, with 50% federal match, should apply to **all** adults, and **not exclude elderly or disabled people**, who have been excluded from previous expansions. Advocates would be happy to help in the design of that alternative approach.

Thank you.

Sheldon Toubman  
Litigation Attorney  
[sheldon.toubman@disrightsct.org](mailto:sheldon.toubman@disrightsct.org)  
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# STATE OF CONNECTICUT

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**Deidre S. Gifford, MD, MPH**  
Commissioner

March 23, 2022

**Re: Responses to Public Comments Regarding Connecticut's Waiver Pursuant to Section 1115 of the Social Security Act to Support the Covered Connecticut Program**

Dear Commenter:

Thank you for submitting comments regarding Connecticut's waiver pursuant to section 1115 of the Social Security Act. The purpose of this waiver is to implement the Covered Connecticut ("Covered CT") program, established pursuant to state law in Public Act 21-2, June special session. The Department of Social Services ("DSS" or the "State"), Connecticut's single state Medicaid agency, appreciates your input and participation in this process. Below are summaries of the comments that DSS received during the public comment period (including written comments sent to DSS and also verbal comments made during the public hearings held on February 10, 2022, and February 16, 2022) and DSS's responses to the comments.

## **Program Design**

1. What inspired the program? Do similar programs exist in other states?

**Response:** Covered CT is a product of the 2021 legislative session of the Connecticut General Assembly. The program is intended to expand affordable health care coverage in part by leveraging federal subsidies for exchange-based coverage options. Massachusetts and Vermont have programs that are similar but not identical to Connecticut's program design.

2. How long has it taken to develop the program? What have the State's conversations with CMS been like?

**Response:** DSS and its state partners (Office of Health Strategy, Access Health CT and the Connecticut Insurance Department) have been working to develop the program for many months. We have had multiple informal conversations with the U.S. Centers for Medicare & Medicaid Services (CMS) focused on the program concept. CMS has been a responsive and helpful partner and is committed to officially reviewing our application once it has been formally submitted and after the federal public comment period has closed.

## **Budget and Finance**

3. Are Section 1115 waivers supposed to be budget neutral? If so, how does the State plan to offset the program costs?



**Response:** As required by federal law in section 1115 of the Social Security Act, section 1115 demonstration waivers must be budget neutral to the federal Medicaid budget. This means it will cost the federal Medicaid program no more with the waiver than without it. There is no need to plan to offset waiver program costs because the cost to the federal government is projected to be less with the waiver than with a comparable full expansion of Medicaid.

4. What is the State's contingency plan if the enhanced subsidies authorized under the federal American Rescue Plan (ARP) Act are not extended?

**Response:** Should the enhanced subsidies under the ARP end on December 31, 2022, as currently authorized by federal law, or on any date prior to the expiration of the Demonstration, the State would need to revisit the Demonstration's financing and possibly make programmatic changes, such as, but not in any particular order: utilize state funding, reduce eligibility or benefits, cap enrollment, or terminate the Demonstration.

### **Eligibility**

5. What is the State's communications strategy for the program? How will it educate the public and outreach to potentially eligible individuals?

**Response:** As the Demonstration go-live date approaches, the State will launch an outreach campaign to promote enrollment in the program. It will use administrative data from the eligibility and enrollment system shared by Medicaid and Access Health CT to identify potentially eligible individuals for targeted outreach, including adults who are not enrolled in Medicaid but whose children are enrolled in Medicaid or CHIP.

At go-live, individuals enrolled in a silver-level qualified health plan (QHP) will have their premium and cost-sharing amounts reduced to zero and eligible individuals enrolled in a bronze-level plan will be offered the opportunity to move to a free silver-level plan.

More broadly, the State will launch a communications campaign to educate the general public on the availability of the program. It will leverage existing channels, such as member notices, mail, email, online member accounts, websites, social media, press releases, and provider bulletins. Additional methods, such as text messaging, robocalls, radio and television advertising, are being explored. To the extent that the Demonstration goes live during the public health emergency (PHE) winddown period, communications about reapplying for Medicaid will also include information about the availability of the Demonstration program.

6. What is the impact of a parent's enrollment in Covered CT on a child's enrollment in HUSKY Health?

**Response:** Children are eligible for HUSKY Health (*i.e.*, Medicaid or CHIP) regardless of QHP coverage for other family members. A parent's enrollment in Covered CT will not impact a child's enrollment in HUSKY Health.

7. Can you estimate the overlap between children eligible for Medicaid and CHIP and parents eligible for the Covered CT?

**Response:** Currently, children are eligible for Medicaid or CHIP at income levels higher than parents. Covered CT will increase the income limit for parents to 175% of the federal poverty limit (FPL). Medicaid currently covers parents and caretaker relatives up to 160% FPL. DSS estimates that by the final year of the Demonstration, approximately 13,000 parents will enroll in QHP coverage through Covered CT because of its higher income limit.

8. When people are redetermined for Medicaid eligibility, how will they be notified about Covered CT?

**Response:** The State has an integrated eligibility system for Medicaid, CHIP and QHP coverage. When a person's eligibility is redetermined for any of these programs, eligibility for all programs is considered. Enrollees will be notified of the eligibility decision through this integrated system, which includes both letters and electronic means of communication. If determined eligible for Medicaid, they will be automatically enrolled. If determined eligible for Covered CT, they will be notified and offered the opportunity to enroll in QHP coverage immediately.

9. Why do the enrollment projections assume very gradual growth rather than full uptake initially?

**Response:** A key assumption behind these enrollment projections is that many people have had their Medicaid eligibility extended due to the continuous eligibility requirements of the federal COVID PHE. However, when the federal PHE expires, the State will gradually resume redeterminations of eligibility for Medicaid members, and members, who experienced an increase in income, will gradually transition from Medicaid to Covered CT eligibility. Enrollment into the program will be slower for parents than childless adults, because of the availability of Transitional Medical Assistance, which provides an additional year of Medicaid coverage for parents and caretaker relatives.

10. How will the State simplify Covered CT enrollment to reduce the loss of coverage, particularly as people move back and forth between assistance programs?

**Response:** Eligibility and enrollment for Medicaid, CHIP and QHP coverage is already simplified and streamlined by the State's existing integrated eligibility system, which is a single point of entry for determination of eligibility for all three types of healthcare coverage. When a person is

determined eligible for Medicaid or CHIP, they are automatically enrolled. When determined eligible for Covered CT, they will be notified of the opportunity to enroll in silver-level QHP coverage offered through Access Health CT. At go-live, individuals enrolled in a silver-level QHP will automatically have their premium and cost-sharing amounts reduced to zero, and eligible individuals enrolled in a bronze-level plan will be offered the opportunity to move to a free silver-level plan.

## **Benefits**

11. Will Covered CT put a strain on access to dental services given that it is projected to add coverage for up to 39,000 individuals?

**Response:** DSS continues to evaluate demand for dental services by Covered CT enrollees and has proposed a rate increase for adult dental services through the Governor's proposed budget adjustments to help ensure access to dental care.

12. What is the ability of the non-emergency medical transportation (NEMT) system to serve more people?

**Response:** DSS continues to evaluate demand for NEMT services by Covered CT enrollees and the capacity of the NEMT system to accommodate this additional population.

13. How can the program help enrollees navigate the complexities of the healthcare system? Can the program fund community-based health navigators or community health workers to help enrollees understand their benefits and how to use them?

**Response:** Demonstration benefits are as specified in state law, with QHP coverage available through Access Health CT and dental care and NEMT benefits delivered through HUSKY Health. Enrollees will have access to resources to help understand QHP choices and how QHP coverage works, including online resources, enrollment specialists, community navigators and customer call centers to help eligible individuals choose a QHP that best meets their individual needs and locate network providers to access covered services.

## **Evaluation**

14. Commenters posed several questions regarding evaluation of the program's impact, including:

- What impact will the program have on access to care?
- How will the program affect service utilization, such as preventive and primary care and emergency department visits?
- Will parents' enrollment in the program impact the way their children use services in HUSKY Health?

- How will differences in covered services and provider networks impact continuity of care for adults who move between Medicaid and QHP enrollment?
- How will future increases in the state's minimum wage affect the affordability of healthcare coverage as the number of state residents who earn too much to qualify for the Covered CT program grows?
- How will health disparities and progress towards health equity be measured?
- How will the State engage enrollees to gather qualitative and quantitative data on enrollee experiences with the program?

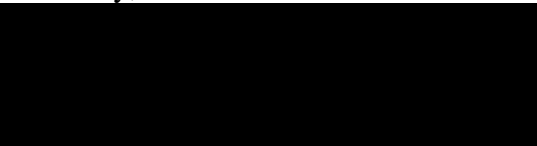
**Response:** The waiver application presents an overview of DSS's preliminary plan to evaluate the Demonstration. While it is subject to change and will be further defined as the program is implemented, it currently includes sample measures that may be used to test the Demonstration's hypotheses that providing free QHP coverage and dental care and NEMT services comparable to the benefits under Connecticut Medicaid will: improve the affordability of health insurance coverage; promote health insurance coverage (*i.e.*, increase the number of people who have health insurance coverage through a QHP); ensure stable coverage; reduce the statewide uninsured rate; improve oral health; enable access to medical appointments; and reduce health disparities and improve health equity.

DSS is considering the use of measures from the CMS Adult Core Healthcare Effectiveness Data and Information Set (HEDIS) to answer questions about the impact of the program on service utilization patterns, such as increased preventive and primary care use and decreased emergency department visits. National standards for assessing enrollee experiences, such as Consumer Assessment of Healthcare Providers and Systems (CAHPS) surveys, are also under consideration.

DSS recognizes the importance of understanding health disparities to inform State actions to improve health equity, and the preliminary evaluation plan contemplates the use of methods such as performance measure data stratified by race, ethnicity, and income to track the program's progress as required by state law.

Thank you again for your comments and for your interest in Covered CT.

Sincerely,



Deidre S. Gifford, MD, MPH  
Commissioner

# TRIBAL NOTIFICATIONS

## Norwood, Joel C.

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**From:** Norwood, Joel C.  
**Sent:** Thursday, February 3, 2022 5:24 PM  
**To:** Connie Hilbert; Carrie Janus; Teri McHale; Susie Jacobs  
**Cc:** Mahoney, Ginny L.; Robinson-Rush, Dana; Halsey, William; Hadler, Peter B.; McCooley, Patricia E.  
**Subject:** Covered CT Section 1115 Demonstration Waiver - Tribal Notice [not-secure]  
**Attachments:** Covered CT 1115 - Abbreviated Pub Notice - Final - 02-02-22.docx; Covered CT 1115 - Full Pub Notice - Final - 02-03-22.pdf; Covered CT 1115 - Waiver App - 02-03-22 - Draft for Public Comment.pdf

Connie, Carrie, and Teri,

The Department of Social Services (DSS), in collaboration with the Office of Health Strategy, Access Health CT, and the Connecticut Insurance Department, proposes to submit the Covered Connecticut (Covered CT) demonstration waiver under section 1115 of the Social Security Act (Demonstration), described below, to the U.S. Centers for Medicare & Medicaid Services (CMS).

**Documents:** Attached are the following documents:

- Abbreviated Public Notice (which is scheduled to be published in the Connecticut Law Journal on February 8, 2022)
- Full Public Notice
- Proposed Waiver Application

**Summary of Covered CT Demonstration Waiver:** Covered CT was established by state legislation in sections 15 through 19, inclusive, of Public Act 21-2 of the June 2021 special session. The intent of this Demonstration is to help close the health insurance affordability gap in a cost-effective manner for low-income individuals who earn too much to qualify for Medicaid but not enough to afford coverage through the state's Health Insurance Marketplace, Access Health Connecticut (Access Health). The law further directs the Connecticut Department of Social Services (DSS) to submit a demonstration waiver application pursuant to section 1115 of the Social Security Act (Demonstration) to the U.S. Centers for Medicare and Medicaid Services (CMS) to provide federal matching funding for the program. DSS is working in collaboration with various state partners in the design and implementation this program, including the Office of Health Strategy, Access Health Connecticut, and the Connecticut Insurance Department.

After federal approval and upon implementation, this Demonstration will provide eligible individuals with free Qualified Health Plan (QHP) coverage available through Access Health. The State will directly reimburse the plan for the monthly premium and the cost sharing amounts that the enrollee would normally have to pay with the plan, such as out-of-pocket costs for deductibles, copays, and coinsurance. Enrollees will also receive free dental care and non-emergency transportation (NEMT) services, comparable to the benefits under Connecticut Medicaid and provided through the Medicaid delivery and payment system, also known as HUSKY Health. No cost sharing requirements will apply to benefits provided under the Demonstration. This Demonstration will be available to parents and needy caretaker relatives, and their tax dependents under age 26, and non-pregnant childless adults ages 19 to 64 who have income that is above the Medicaid limit but does not exceed 175% of the federal poverty level (FPL) and enroll in a silver-level QHP available through Access Health using federal premium subsidies and cost-sharing reductions.

Information about this Demonstration is also posted to the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program>

As detailed in the attached waiver application, over the five-year period from July 1, 2022 through June 30, 2027, this Demonstration is projected to increase aggregate expenditures by approximately \$363,396,545.

**Comments:** Please let us know if you have any comments or questions about this waiver. Thank you!

Thanks,  
Joel

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**Joel C. Norwood**

Staff Attorney  
Connecticut Department of Social Services  
Office of Legal Counsel, Regulations and Administrative Hearings  
55 Farmington Avenue  
Hartford, CT 06105-3725  
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## Norwood, Joel C.

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**From:** Norwood, Joel C.  
**Sent:** Thursday, February 3, 2022 5:24 PM  
**To:** 'Reels, Shanna'; 'sreels@mptn.org'; 'jvital@mptn.org'; 'jvital@mptn-nsn.gov'  
**Cc:** Mahoney, Ginny L.; Robinson-Rush, Dana; Halsey, William; Hadler, Peter B.; McCooley, Patricia E.  
**Subject:** Covered CT Section 1115 Demonstration Waiver - Tribal Notice [not-secure]  
**Attachments:** Covered CT 1115 - Abbreviated Pub Notice - Final - 02-02-22.docx; Covered CT 1115 - Full Pub Notice - Final - 02-03-22.pdf; Covered CT 1115 - Waiver App - 02-03-22 - Draft for Public Comment.pdf

Shanna,

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Information about this Demonstration is also posted to the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Covered-Connecticut-Demonstration-Program>

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**Comments:** Please let us know if you have any comments or questions about this waiver. Thank you!

Thanks,  
Joel

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**Joel C. Norwood**

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