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State/Territory Name: CT

State Plan Amendment (SPA) #: 22-0018

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

August 23, 2022

Deidre S. Gifford, Commissioner
Department of Social Services
55 Farmington Avenue, 9th Floor
Hartford, CT 06105-3730

RE: Connecticut 22-0018

Dear Commissioner Gifford:

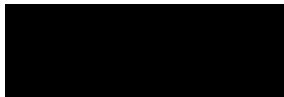
We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 22-0018. Effective April 1, 2022, this amendment proposes rate increases for nursing facility services. Specifically, it implements a 10 percent increase to base rates, and effective July 1, 2022 a benefit and pension per diem rate increase with a pool amount of \$30.8 million.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C.

This is to inform you that Medicaid State plan amendment TN 22-0018 is approved effective April 1, 2022. The CMS-179 and the amended plan page(s) are attached.

If you have any additional questions or need further assistance, please contact Novena James-Hailey at (617) 565-1291 or Novena.JamesHailey@cms.hhs.gov.

Sincerely,



Rory Howe
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER 2 2 — 0 0 1 8 2. STATE CT

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
April 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION
Social Security Act Sections 11905(a)(4) and 1919 and 42 CFR 440.40(a) and 447.253 (a) and (b)

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2022 \$ 13,422,600
b. FFY 2023 \$ 15,400,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-D, Page 59(c)(3) and (4)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable)
NEW

9. SUBJECT OF AMENDMENT
1. Effective April 1, 2022 through May 31, 2022, temporary 10% nursing home rate increase to the base rate in effect on June 30, 2021 and 2. Effective July 1, 2022 through June 30, 2023, within a pool of \$30.8 million, targeted rate increase to nursing homes to the extent necessary to enable implementation of an enhanced employee health care and/or pension benefit.

10. GOVERNOR'S REVIEW (Check One)
 GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. TYPED NAME
Deidre S. Gifford, MD, MPH

13. TITLE
Commissioner

14. DATE SUBMITTED
June 23, 2022

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

FOR CMS USE ONLY

16. DATE RECEIVED **June 23, 2022**

17. DATE APPROVED
August 23, 2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
April 1, 2022

19. SIGNATURE OF APPROVING OFFICIAL
[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

22. REMARKS

State: ConnecticutMethods and Standards for Establishing Payment Rates for Nursing Facilities

Effective from April 1, 2022 through May 31, 2022, nursing facility rates will temporarily increase by 10%. This rate increase applies to the base rate in effect on June 30, 2021 and does not compound any other rate increases effective July 1, 2021.

TN # 22-0018

Supersedes

TN # NEWApproval Date August 23, 2022Effective Date 04/01/2022

State: ConnecticutMethods and Standards for Establishing Payment Rates for Nursing Facilities

Effective for dates of service from July 1, 2022 through June 30, 2023, within a total pool of \$30.8 million, the state pays a targeted rate increase to nursing facility to the extent necessary to enable implementation of an enhanced employee health care and/or pension benefit. For each nursing facility that applies for and is approved for this rate increase, the state will calculate the specific rate increase amount as the allowable documented costs for increasing the nursing facilities' health care and/or pension costs. If a facility receives a rate increase but does not provide enhanced health care and/or pension benefits, DSS may decrease the rate by the same amount as the rate increase. This per diem Medicaid rate add-on shall be determined as follows:

- A. Each participating nursing facility shall submit to the commissioner a schedule of additional costs in the benefit categories listed below and the effective date of such benefit increases. These costs shall reflect new annualized costs incurred on or after July 1, 2022 for the following:
 1. Increase in health care benefits
 2. Increase in pension plan benefits
- B. The Medicaid utilization rate shall be calculated by dividing the nursing facility's Medicaid days by total days as reported on the facility's 2021 cost report.
- C. For each nursing facility, the costs identified for each item identified above shall be multiplied by item B to calculate the total allowable Medicaid costs.
- D. For each nursing facility, each benefit component identified in item C shall be divided by the aggregate sum of all item C components for all nursing facilities.
- E. For each nursing facility, the results of component item D shall be multiplied by the available benefit enhancement funding which totals \$30,800,000.
- F. The results of item E shall be divided by the facility's Medicaid days as reported on the facility's 2021 cost report. This will result in the Medicaid benefit enhancement per diem rate increase. The rate increase related benefit increases will be effective July 1, 2022 and will be based on the implementation date provided by the facility.
- G. Verification procedures will be performed on benefit enhancements in cost year 2022, 2023 and 2024. If expenditure increases within the benefit categories listed in item A are less than the additional costs identified in item A, accounting for implementation date and pro-rata, the Medicaid per diem rate increase shall be adjusted downward, as necessary, to reflect the Medicaid pro-rata portion of the actual cost of benefit increases implemented in the fiscal year ending June 30, 2023.

TN # 22-0018Approval Date August 23, 2022Effective Date 04/01/2022

Supersedes

TN # NEW