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State/Territory Name: Connecticut

State Plan Amendment (SPA) #: 20-0016

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

June 29, 2020

Kathleen Brennan, Deputy Commissioner
Department of Social Services
55 Farmington Avenue, 9th Floor
Hartford, CT 06105-3730

RE: Connecticut 20-0016

Dear Deputy Commissioner Brennan:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 20-0016. Effective July 1, 2019, this amendment makes technical corrections to recently approved state plan amendment TN 19-0017 (inpatient hospital supplemental payments approved on May 15, 2020).

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1923 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 20-0016 is approved effective July 1, 2019. 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,

A solid black rectangular box redacting the signature of Karen Shields.

Karen Shields
Acting Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES	1. TRANSMITTAL NUMBER: 20-0016	2. STATE: CT
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: July 1, 2019	
5. TYPE OF STATE PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: Section 1905(a)(1) of the Social Security Act and 42 CFR 440.10 and 447.253(a), (b), and (c)	7. FEDERAL BUDGET IMPACT: FFY 2019 \$0 FFY 2020 \$0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Page 1(x) Attachment 4.19-A, Page 1(x)a Attachment 4.19-A, Pages 1(xi)	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If applicable) Attachment 4.19-A, Page 1(x) Attachment 4.19-A, Page 1(x)a Attachment 4.19-A, Pages 1(xi)

10. SUBJECT OF AMENDMENT: Effective July 1, 2019, this SPA makes the following technical corrections to approved SPA 19-0017 (inpatient hospital supplemental payments): (1) On Attachment 4.19-A, Page 1(x) at the bottom, the language "Attachment 4.19-A Page 1 (x)(a)" will move to the top of Attachment 4.19-A, Page 1(x)(a) and (2) On Attachment 4.19-A, Page 1(xi), in Section (2b), the State Fiscal Year (SFY) date at the end of the first sentence "20212026" is replaced with "2026".

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:	16. RETURN TO: State of Connecticut Department of Social Services 55 Farmington Avenue – 9th floor Hartford, CT 06105 Attention: Ginny Mahoney
13. TYPED NAME: Deidre S. Gifford	
14. TITLE: Commissioner	
15. DATE SUBMITTED: June 4, 2020	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:	18. DATE APPROVED: 6/29/20
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 7/1/19	20. SIGNATURE OF REGIONAL OFFICIAL:
21. TYPED NAME: Karen Shields	22. TITLE: Acting Director, FMG

23. REMARKS:

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

(2) Supplemental Reimbursement for Inpatient Hospital Services.

General criteria applicable to all inpatient hospital supplemental payments made under this section 2 of Attachment 4.19-A (Attachment 4.19-A, Pages 1(x) through 1(xii)(b)).

(a) If a hospital is merged with or acquired by another hospital, the supplemental payments that would have been paid to the merging hospital shall instead be paid to the acquiring hospital starting with the first calendar quarter that begins on or after the effective date of the merger or acquisition.

(b) If a hospital dissolves or ceases to exist, the supplemental payments that would have been paid to the dissolved hospital shall not be made to any other hospital for the remainder of the state fiscal year (SFY) in which the effective date of the dissolution occurred. Effective starting with the beginning of the SFY after the dissolution, the supplemental payments that would have been made to the dissolved hospital will be distributed in accordance with each supplemental payment pool's distribution methodology.

(c) All figures in supplemental payment eligibility and/or distribution methodologies based on each hospital's filings with the State of Connecticut, Office of Health Strategy (OHS), formerly Department of Public Health, Office of Health Care Access (OHCA), are subject to adjustment if the applicable OHS report is adjusted upon audit by OHS. There shall be no further redistribution of inpatient hospital supplemental payments after adjustments are made based on such audit.

(d) For all of the pools described below, effective for dates of service from SFY 2027 and forward (July 1, 2026 forward), the amounts shall continue at the levels in effect during SFY 2026 unless this section is modified by a future SPA.

(2a) Supplemental Payments for General Inpatient Hospital Services

Supplemental payments to eligible hospitals shall be made from a pool of funds in the amount of \$305 million for each of the state fiscal years ending June 30, 2020 (SFY 2020) and June 30, 2021 (SFY 2021), \$285 million for SFY 2022, and \$261 million per SFY for SFY 2023 through SFY 2026. The payments shall be made quarterly throughout each fiscal year except that the payment for the first quarter of SFY 2020 shall be made as an interim payment that is reconciled to the actual amount before the end of the SFY.

(a) Hospitals eligible for supplemental payments under this paragraph are non-governmental licensed short-term general hospitals located in the state other than short-term children's general hospitals, but including a short-term general hospital operated by the State as a receiver.

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

- (b) Each eligible hospital's share of the supplemental payment pool shall be equal to that hospital's pro rata share of the total Medicaid inpatient revenues of all eligible hospitals in the aggregate. For purposes of this supplemental payment, "Medicaid inpatient revenues" means payments for Medicaid inpatient hospital services provided in federal fiscal year 2016 to each eligible hospital up to a maximum of \$160 million per hospital as reported as Medicaid inpatient accrued payments in each hospital's filing with OHS.
- (c) Any remaining funds in the mid-sized pool due to one or more hospitals becoming ineligible for the additional supplemental payment described in items (c), (d) and (e) of subsection (2b.i) shall be transferred to this pool and allocated to eligible hospitals in accordance with the distribution methodology in (b) above.

TN# 20-0016
Supersedes
TN# 19-0017

Approval Date 6/29/20

Effective Date: 07-01-2019

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

(2b) Supplemental Reimbursement to Small Hospitals for Inpatient Hospital Services.

Supplemental payments to eligible hospitals shall be made from a pool of funds in the amount of \$25 million per state fiscal year (SFY) for SFY 2020 through SFY 2026. The payments shall be made quarterly throughout each fiscal year in accordance with the following paragraphs except that the payment for the first quarter of SFY 2020 shall be made as an interim payment that is reconciled to the actual amount before the end of the SFY:

- (a) Hospitals eligible for supplemental payments under this section are non-governmental licensed short-term general hospitals located in the state that have 180 or fewer licensed beds as reported in each hospital's FFY 2016 filing with OHS.
- (b) Each eligible hospital's share of the supplemental payment pool shall be equal to that hospital's pro rata share of the total Medicaid inpatient revenues, subject to a cap of \$5 million for SFY 2020 through SFY 2022 and a cap of \$7 million for SFY 2023 and each SFY thereafter, of all eligible hospitals in the aggregate as reported in each hospital's Federal Fiscal Year 2016 filing with OHS.