

## NOTICES OF CONNECTICUT STATE AGENCIES

---

### Department of Social Services

---

#### Notice of Proposed Medicaid State Plan Amendment (SPA)

---

##### **SPA 19-I: Inpatient Hospital Payments – Annual Adjustment Factor Updates to Account for DRG Grouper Version Changes**

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

##### **Changes to Medicaid State Plan**

Effective on or after April 15, 2019, as described below, SPA 19-I will amend Attachment 4.19-A of the Medicaid State Plan to modify inpatient hospital reimbursement under the All Patient Refined Diagnosis-Related Group (APR-DRG) system.

Specifically, the State Plan will be updated to include an adjustment factor in the 3M APR-DRG reimbursement methodology. The adjustment factor is calculated make overall DRG payment levels under grouper version 36 comparable to the overall payment levels under the prior version, in the aggregate. If necessary to make payment levels comparable, there may be a different adjustment factors for each hospital peer group.

This SPA will also specify that DSS will implement each new grouper version on the January 1<sup>st</sup> after the version becomes available and will update the applicable adjustment factor(s) every January 1<sup>st</sup> so that overall payment levels from each DRG grouper version are designed to be comparable to the overall payment levels under the previous version, in the aggregate.

##### **Fiscal Impact**

DSS estimates that this SPA will increase annual aggregate expenditures by approximately \$78.4 million in Federal Fiscal Year (FFY) 2019 and \$171 million in FFY 2020.

##### **Obtaining SPA Language and Submitting Comments**

This SPA is posted on the DSS web site at this link: <http://portal.ct.gov/dss>. Scroll down to the bottom of the webpage and click on “Publications” and then click on “Updates.” Then click on “Medicaid State Plan Amendments”. The proposed SPA may also be obtained at any DSS field office or the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: [Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov) or write to: Medical Policy Unit, Department of Social Services, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5067). Please reference “SPA 19-I: Inpatient Hospital Payments – Annual Adjustment Factor Updates to Account for DRG Grouper Version Changes”.

Anyone may send DSS written comments about the SPA. Written comments must be received by DSS at the above contact information no later than April 11, 2019.

## Department of Social Services

---

### Notice of Proposed Medicaid State Plan Amendment (SPA)

---

#### SPA 19-M: One-Time Inpatient Hospital Supplemental Payment

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

#### **Changes to Medicaid State Plan**

Effective on or after April 15, 2019, as described below, SPA 19-M will amend Attachment 4.19-A of the Medicaid State Plan to implement a one-time inpatient hospital supplemental payment.

Specifically, a one-time supplemental payment will be made to each hospital subject to the 3M All Patient Refined Diagnosis Related Grouper (APR-DRG) inpatient reimbursement methodology. The payment is intended to offset the aggregate reduction in payments that resulted from implementation of version 36 of the DRG grouper. Payment amounts will be calculated by repricing each hospital's paid claims for dates of discharge from October 1, 2018 through April 14, 2019 using the applicable adjustment factor calculated to make overall hospital DRG payment levels under grouper version 36 comparable to the levels prior to version 36. That adjustment factor is the same factor that will be used as part of the DRG payment methodology effective on or after April 15, 2019, which is being proposed to be added to the Medicaid State Plan by SPA 19-I. The hospital's repriced claims will be subtracted from actual paid claims to determine the supplemental payment amount to each hospital.

#### **Fiscal Impact**

DSS estimates that this SPA will increase annual aggregate expenditures by approximately \$92.7 million in Federal Fiscal Year (FFY) 2019 and \$0 in FFY 2020.

#### **Obtaining SPA Language and Submitting Comments**

This SPA is posted on the DSS web site at this link: <http://portal.ct.gov/dss>. Scroll down to the bottom of the webpage and click on "Publications" and then click on "Updates." Then click on "Medicaid State Plan Amendments". The proposed SPA may also be obtained at any DSS field office or the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: [Public.Comment.DSS@ct.gov](mailto:Public.Comment.DSS@ct.gov) or write to: Medical Policy Unit, Department of Social Services, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5067). Please reference "SPA 19-M: One-Time Inpatient Hospital Supplemental Payment".

Anyone may send DSS written comments about the SPA. Written comments must be received by DSS at the above contact information no later than April 11, 2019.

---