

## NOTICE OF CONNECTICUT STATE AGENCIES

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### DEPARTMENT OF SOCIAL SERVICES

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

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##### **SPA 23-W: Physician Services, Medical Equipment, Devices and Supplies (MEDS), and Home Health Services – Billing Code and Reimbursement Updates**

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 July 1, 2023, SPA 23-W will amend Attachment 4.19-B of the Medicaid State Plan to make the updates detailed below.

First, this SPA will incorporate various federal Healthcare Common Procedure Coding System (HCPCS) updates (additions, deletions and description changes) to the physician office and outpatient and medical equipment, devices and supplies (MEDS) (durable medical equipment [DME]; Orthotic and Prosthetic [O & P] and medical surgical supply [MSS]) fee schedules. Codes that are being added to each fee schedule are being priced using a comparable methodology to other codes in the same or similar category on the same fee schedule. For physician-administered drugs that are not priced on the July 2023 Medicare ASP Drug Pricing file and procedure codes that are described as “unclassified”, the drug will be priced at the lowest of:

- The usual and customary charge to the public or the actual submitted ingredient cost;
- The National Average Drug Acquisition Cost (NADAC) established by CMS;
- The Affordable Care Act Federal Upper Limit (FUL); or
- Wholesale Acquisition Cost (WAC) plus zero (0) percent when no NADAC is available for the specific drug.

Fee schedules are published at this link: <https://www.ctdssmap.com>, then select “Provider”, then select “Provider Fee Schedule Download,” then select the applicable fee schedule.

DSS is making these changes to ensure that these fee schedules remain compliant with the Health Insurance Portability and Accountability Act (HIPAA).

Second, this SPA will reflect rate increases of 4.9% for the following home health services: Healthcare Common Procedure Coding System (HCPCS) codes T1004 (Services of a qualified nursing aide, up to 15 minutes) and T1021 (Home Health aide or certified nurse assistant, per visit) provided by licensed home health agencies. The purpose of this change is to reflect that home health agencies have increased costs in paying higher wages to home health aides in order to comply with the June 1, 2023 increase in the state’s minimum wage.

Note that these provisions of proposed SPA 23-W are in addition to the provisions that were previously referenced in a public notice published in the May 9, 2023 issue of the Connecticut Law Journal.

### **Fiscal Impact**

DSS anticipates that the provisions of this SPA regarding the physician and MEDS fee schedule updates described above are unlikely to have a significant impact on annual aggregate expenditures.

DSS estimates that the home health rate increases described above will increase annual aggregate expenditures by approximately \$1,092,2361 in State Fiscal Year (SFY) 2024 and \$1,227,277 in SFY 2025.

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

The proposed SPA is posted on the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-State-Plan-Amendments>. The proposed SPA may also be obtained at any DSS field office, at 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: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference “SPA 23-W: Physician Services, MEDS, and Home Health Services – Billing Code and Reimbursement Updates”.

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than **July 12, 2023**.

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## **DEPARTMENT OF SOCIAL SERVICES**

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

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#### **SPA 23-AA: Private Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) Reimbursement**

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 from July 1, 2023 through June 30, 2024, this SPA will amend Attachment 4.19-D of the Medicaid State Plan to make the following changes to the reimbursement methodology for private ICF/IIDs.

For State Fiscal Year (SFY) 2024, this SPA implements a rebase of facility rates based upon 2022 cost report filings, adjusted to reflect rate increases provided after the cost report year ending June 30, 2022, and with the addition of a two per cent adjustment factor. No facility shall receive a rate less than the rate in effect for the fiscal year ending June 30, 2023. There shall be no increase to rates based on any inflationary factor for the fiscal year ending June 30, 2024.

For SFY 2024, the minimum per diem, per bed rate for each private ICF/IID remains \$501.

For SFY 2024 and each subsequent fiscal year, the commissioner may, in the commissioner's discretion and within available appropriations, provide pro rata fair rent increases to facilities that have documented fair rent additions placed in service in the cost report years that are not otherwise included in rates issued. For SFY 2024, a facility may receive a rate increase for a capital improvement approved by the Department of Developmental Services, in consultation with DSS, for the health or safety of the residents during SFY 2024, only to the extent such rate increases are within available appropriations.

The purpose of this SPA is to comply with subsection (h) of section 17b-340 of the Connecticut General Statutes, as amended by section 289 of House Bill 6941, An Act Concerning the State Budget for the Biennium Ending June 30, 2025, and Making Appropriations Therefor, and Provisions Related to Revenue and Other Items Implementing the State Budget, which has been passed by the state Senate and the state House of Representatives and was recently signed into law by the Governor. Note that the section may be renumbered by one or more amendments and so may be reflected as a different section number in the final public act version of this legislation.

DSS is currently analyzing the projected Upper Payment Limit (UPL) demonstration for SFY 2024. In general, the UPL is a federally required limit on Medicaid payment, which is a calculated amount using federally specified Medicare cost principles, above which Medicaid federal financial participation (FFP) is not available. Depending on the specific results of the UPL demonstration, one or more portions of this SPA may be modified or removed to the extent necessary to reflect that Medicaid payments to ICF/IIDs remain within the UPL.

#### **Fiscal Impact**

Based on the information that is available at this time, DSS anticipates that this SPA will increase annual aggregate Medicaid expenditures by approximately \$3,731,806 in SFY 2024 and \$339,255 in SFY 2025.

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

This SPA is posted on the DSS web site at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/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 23-AA: Private ICF/IID Reimbursement".

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than **July 27, 2023**.

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**DEPARTMENT OF SOCIAL SERVICES****Notice of Proposed Medicaid State Plan Amendment (SPA)****SPA 23-AB: Update to Alternative Benefit Plan (ABP) for the Medicaid Coverage Group for Low-Income Adults – Clarifying Underlying Medicaid State Plan Move of Specified Clinic Behavioral Health Services to the Rehabilitation Services Benefit Category**

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), which will amend the Alternative Benefit Plan (ABP) at Attachment 3.1-L of the Medicaid State Plan.

The ABP is the benefit package that is provided to the Medicaid low-income adult population under section 1902(a)(10)(A)(i)(VIII) of the Social Security Act (also known as HUSKY D). Pursuant to section 2001 of the Affordable Care Act, effective January 1, 2014, Connecticut expanded Medicaid eligibility to low-income adults with incomes up to and including 133% of the federal poverty level. The expanded coverage group is referred to as Medicaid Coverage for the Lowest-Income Populations.

**Changes to Medicaid State Plan**

Effective July 1, 2023, this SPA will amend the ABP (Attachment 3.1-L of the Medicaid State Plan) in order to reflect the move in the underlying Medicaid State Plan of specified behavioral health services provided by clinics to the rehabilitative services benefit category, in order to continue aligning the ABP with the underlying Medicaid State Plan benefit package.

As background, in guidance issued by CMS during the COVID-19 federal public health emergency (PHE), CMS detailed that it interprets the federal clinic regulation (42 C.F.R. § 440.90) to require that for telehealth to be billed by a clinic within the clinic Medicaid State Plan benefit category, either the clinic's practitioner or the member must be located in a licensed location of the clinic. During the PHE, the state requested, and CMS approved, a disaster relief waiver under section 1135 of the Social Security Act allowing the state to cover telehealth services provided by a clinic even if neither the practitioner nor the member was located in a licensed location of that clinic. That section 1135 waiver expired automatically at the end of the federal PHE. In the underlying Medicaid State Plan, through pending SPA 23-0012, the state made changes specified below to maintain flexibility to cover mental health services provided by a clinic via telehealth when neither the clinic practitioner nor the member is in a licensed location of the clinic. Note that this flexibility is still subject to the broader DSS telehealth policy regarding requirements and procedures for telehealth, which is not being proposed to be changed.

Specifically, in order to enable continuation of this flexibility, the relevant portion of SPA 23-0012 will move mental health services provided by behavioral health clinics and all behavioral health services provided by medical clinics and rehabilitation clinics from the federal Medicaid State Plan clinic benefit category defined by federal regulation at 42 C.F.R. § 440.90 to the federal Medicaid State Plan rehabilitative services benefit category defined by federal regulation at 42 C.F.R. § 440.130(d). This change applies both to privately operated clinics and to public clinics operated

by the State of Connecticut Department of Mental Health and Addiction Services (DMHAS). This change applies only to mental health services provided by freestanding behavioral health clinics and only to all behavioral health services provided by medical clinics and rehabilitation clinics currently enrolled with DSS as clinic provider types. This change does not apply to federally qualified health centers (FQHCs) or outpatient hospitals because those federal regulations are more flexible in this context and do not include the restrictions on telehealth that CMS has interpreted to the clinic regulation, as referenced above. This change also does not apply to substance use disorder (SUD) services, because those services were previously moved to the federal Medicaid State Plan rehabilitation services benefit category through approved SPA 22-0020, which was coordinated with the state's approved SUD demonstration waiver pursuant to section 1115 of the Social Security Act.

That portion of SPA 23-0012 does not make any substantive changes to coverage or reimbursement in this context, simply moving existing covered services and reimbursement methodology from the federal clinic benefit category to the federal rehabilitation services benefit category. Rates, reimbursement methodology, and coverage all remain the same. The purpose of this change is set forth above to maintain the state's ability to cover telehealth in the context as described above.

This SPA 23-AB adds a category specifying this coverage under the rehabilitation services benefit category to clarify that the ABP will continue to align with the underlying Medicaid State Plan benefit package.

This SPA will not make any other changes to the ABP than as described above, which will continue to reflect the same coverage in the ABP for HUSKY D Medicaid members as in the underlying Medicaid State Plan. Accordingly, the ABP will continue to provide full access to Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services to beneficiaries under age twenty-one. This includes informing beneficiaries that EPSDT services are available and to inform beneficiaries about the need for age-appropriate immunizations. The ABP also provides or arranges for the provision of screening services for all children and for corrective treatment as determined by child health screenings. These EPSDT services are provided by the DSS fee-for-service provider network. EPSDT clients are also able to receive any additional health care services that are coverable under the Medicaid program and found to be medically necessary to treat, correct or reduce illnesses and conditions discovered regardless of whether the service is covered in Connecticut's Medicaid State Plan.

Likewise, this SPA will not make any changes to cost sharing for the services provided under the ABP. Connecticut does not currently impose cost sharing on Medicaid beneficiaries. Because there are no Medicaid cost sharing requirements for Connecticut beneficiaries, no exemptions are necessary in order to comply with the cost sharing protections for Native Americans found in section 5006(e) of the American Recovery and Reinvestment Act of 2009.

### **Fiscal Impact**

This SPA will not change annual aggregate expenditures both because this change does not make any substantive change to coverage or reimbursement and also because even if there were a fiscal impact, it would have been included in the underlying SPA referenced above.

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

The proposed SPA is posted on the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-State-Plan-Amendments>. The proposed SPA may also be obtained at any DSS field office, at 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: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference “SPA 23-AB: Update to Alternative Benefit Plan (ABP) for the Medicaid Coverage Group for Low-Income Adults – Clarifying Underlying Medicaid State Plan Move of Specified Clinic Behavioral Health Services to the Rehabilitation Services Benefit Category.”

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than **July 27, 2023**.

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## **DEPARTMENT OF SOCIAL SERVICES**

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

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#### **SPA 23-AC: Section 1915(i) Portion of the Connecticut Home Care Program for Elders – Rate Increases Related to Increase in State Minimum Wage**

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 July 1, 2023, and subject to CMS approval, this SPA will amend Attachment 4.19-B of the Medicaid State Plan to reflect increases the rates by 4.9% for the following Healthcare Common Procedure Coding System (HCPCS) codes within the state plan home and community-based services option under section 1915(i) of the Social Security Act portion of the Connecticut Home Care Program for Elders (CHCPE): 1021Z, 1022Z, 1023Z, 1200Z, 1201Z, 1202Z, 1206Z, 1210Z, 1213M, 1213M, 1214Z, 1225Z, 1226Z, 1228Z, 1230Z, 1232Z, 1244Z, 1430Z, 1431Z, 1432Z, 1433Z, 1434Z, 3022Z, 3024Z, 3025Z, 3026Z, 3027Z, 3027Z, and 3028Z. The purpose of this change is to reflect that CHCPE provider entities have increased costs in paying higher wages specified staff in order to comply with the June 1, 2023 increase in the state’s minimum wage.

Fee schedules are published at this link: <http://www.ctdssmap.com>, then select “Provider”, then select “Provider Fee Schedule Download,” then select the applicable fee schedule.

#### **Fiscal Impact**

DSS estimates that the provisions of this SPA will increase annual aggregate expenditures by approximately \$102,692 in State Fiscal Year (SFY) 2024 and \$154,038 in SFY 2025.

**Obtaining SPA Language and Submitting Comments**

The proposed SPA is posted on the DSS website at this link: <https://portal.ct.gov/DSS/Health-And-Home-Care/Medicaid-State-Plan-Amendments>. The proposed SPA may also be obtained at any DSS field office, at 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: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105. Please reference “Section 1915(i) Portion of the Connecticut Home Care Program for Elders – Rate Increases Related to Increase in State Minimum Wage”.

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than **July 27, 2023**.

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