

DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

Home Health Medication Administration Reimbursement Reduction (SPA 16-023)

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, 2016, SPA 16-023 will amend Attachment 4.19-B of the Medicaid State Plan to reduce the fees for medication administration provided by home health agencies by up to 15%. This reduction is necessary to improve the economy and efficiency of reimbursement for this service and also to implement the state budget for state fiscal years 2016 and 2017 that was approved by the General Assembly. DSS is proposing this SPA in accordance with applicable general authority and also specific authority in section 17b-242(c) of the 2016 supplement to the Connecticut General Statutes.

The state budget projected that medication administration would become more efficient by shifting, as clinically appropriate, a portion of this service to increased utilization of less costly methods of providing the service. Primarily, it was projected that some medication administration would instead be provided by nurse delegation of medication administration to certified home health aides (reimbursement for this service was added by approved SPA 14-011), as well as other less costly alternatives, such as medication administration devices (reimbursement for this service was added by approved SPA 13-039) and medication administration prompting by home health aides (reimbursement for this service was added by approved SPA 15-049). Based on utilization analysis, the shifts to less costly modes of providing the service have been substantially less than anticipated and have generated only a small portion of the projected savings. Accordingly, this SPA is necessary to ensure that payment for home health medication administration remains economic and efficient, while also ensuring access and quality of services.

Fiscal Impact

Based on information that is available at this time, this SPA is anticipated to reduce annual aggregate expenditures by up to approximately \$14.8 million in State Fiscal Year 2017 and by up to approximately \$16.7 million in State Fiscal Year 2018.

Compliance with Federal Access Regulations

In accordance with federal regulations at 42 C.F.R. §§ 447.203 and 447.204, DSS is required to ensure that there is sufficient access to Medicaid services, including services where payment rates are proposed to be reduced. Those federal regulations also require DSS to have ongoing mechanisms for Medicaid members, providers, other stakeholders, and the public to provide DSS with feedback about access. In addition to other available procedures, anyone may send DSS comments about the potential impact of this SPA on access to home health medication administration services as part of the public comment process for this SPA. Contact information and the deadline for submitting public comments are listed below.

Information on Obtaining SPA Language and Submitting Comments

The proposed SPA is posted on the DSS website at this link: <http://www.ct.gov/dss>. Go to “Publications” and then “Updates.” The proposed SPA may also be obtained at any DSS field office and upon request from DSS.

To request a copy of the SPA or to send comments about the SPA, please email: ginny.mahoney@ct.gov or write to: Ginny Mahoney, Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5145, Fax: 860-424-5799). Please reference “SPA 16-023: Home Health Medication Administration Reimbursement Reduction”.

Anyone may send DSS written comments about this SPA, including comments about access to services affected by this SPA. Written comments must be received at the above contact information no later than June 30, 2016.

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

(7) Home Health Services –

(a) Intermittent or part-time nursing services provided by a home health agency or by a registered nurse when no home health agency exists in the area are provided with limitations.

(b) Home health aide services provided by a home health agency with limitations.

(d) Physical therapy, occupational therapy, or speech pathology and audiology services provided by a home health agency or medical rehabilitation facility are provided with limitations.

The fee schedule for licensed home health care agencies for service (a), (b), and (d) above can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to “Provider,” then to “Provider Fee Schedule Download.” Home health service rates were set as of July 1, 2016 and are effective for services on or after that date. Rates are the same for private and governmental providers and are published on the agency’s website. Any fee payable to a home health care agency may qualify for an add-on to the standard fee for the applicable home health service upon application by the agency evidencing extraordinary costs associated with (1) treating AIDS patients; (2) high risk maternal child health care; (3) escort security services or (4) extended hour services. The provider must complete the appropriate application form showing the incremental costs that the agency incurs for the service. The allowable added cost is divided by all projected visits with and without the additional special circumstance (i.e., 1, 2, 3 or 4 above). The Department may add or delete codes in order to remain compliant with HIPAA. In no case will the fee paid to an agency exceed the agency charge to the general public for similar services

(c) Medical supplies, equipment and appliances suitable for use in the home – The current fee schedule was set as of July 1, 2016 and is effective for services provided on or after that date, except that codes may be deleted or added in order to remain compliant with HIPAA. The fee schedule can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to “Provider,” then to “Provider Fee Schedule Download.” Over-the-counter products provided by pharmacies are reimbursed at Average Wholesale Price (AWP). Prescription products provided by pharmacies are reimbursed at Estimated Acquisition Cost (EAC) plus the dispensing fee as specified in section 12 of Attachment 4.19-B. All governmental and private providers are reimbursed according to the same fee schedule.

(8) Private duty nursing services – Not provided.