

Department of Social Services

Notice of Proposed Medicaid State Plan Amendment

Acute Care Hospital Inpatient Rates (SPA 14-010)

The State of Connecticut Department of Social Services (the “Department”) proposes to submit an amendment to the Medicaid State Plan to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services. The proposed Medicaid State Plan Amendment (SPA) will implement a clarification of the inpatient case rates.

Changes to Medicaid State Plan

Effective on or after January 1, 2014, the case rates for the hospitals that qualify for the disproportionate share hospital (DSH) add-on will reflect the base case rate in the State Plan. This will enable the State to update the per diem rates to reflect the applicable DSH add-on percentages each year for the hospitals that qualify. The SPA is intended to clarify the original intent of the existing State Plan language so that there is no ambiguity regarding the DSH add-on. The add-on is covered in the State Plan under attachment 4.19A, page 3, section 4 and therefore should not be included in the case rates listed on pages 1(ii) and (iii) in section 1 of the State Plan.

Fiscal Information – Estimated Annual Change to Medicaid Expenditures

Because this SPA is intended to clarify the original intent of the existing State Plan language referenced above and to prevent unintended overpayments, there is no fiscal impact.

Additional Information

In accordance with federal requirements governing the Medicaid program, upon request, the Department will provide copies of the proposed amendment to the Medicaid State Plan. In addition, copies of the proposed amendment may be obtained at each of the Department’s regional offices and on the Department’s web site: <http://www.ct.gov/dss>. Go to “Publications” and then to “Updates”.

Written, phone, and e-mail requests should be directed to Christopher A. Lavigne, Office of Reimbursement & Certificate of Need, Department of Social Services, 25 Sigourney Street, Hartford, CT 06106-5033 (Phone: 860-424-5719, Fax: 860-424-4812, E-mail: christopher.lavigne@ct.gov). Please reference the relevant SPA number (*e.g.*, SPA 14-010, Acute Care Hospital Inpatient Rates).

Members of the public may also submit written comments on the SPA, by mail, fax, or email. Written comments must be received by the Department at the above contact information no later than December 11, 2013.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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Methods and Standards for Establishing Payment Rates - Inpatient Hospital Care (continued)

(with addition of ten percent incentive, if applicable) increased by 6.5%; or (2) 80% of the cost per discharge per the 2005 cost report filings, but not to exceed \$10,750 per discharge or 142.5% of the 2007 Medicaid Cost Per Discharge (with addition of ten percent incentive, if applicable). Hospitals qualifying for an allowable cost per discharge increase under (1) or (2), shall not receive the ten percent incentive identified in Section 4005 of Public Law 101-508.

Effective April 1, 2009, general acute care hospital inpatient rates shall be adjusted for admissions that meet the criteria established in section 1(k) of the Addendum to Attachments 3.1-A and 3.1-B, Page 1(b). The methodology is as follows:

1. Hospitals are required to run all Medicaid claims through a Medicare diagnosis-related grouper to determine the Medicare payment amount with and without the present on admission indicator.
2. Hospitals are required to report to the Department all Medicaid claims with a present on admission indicator where Medicare payment was reduced. The report shall include the payment amount with the indicator and the payment amount without the indicator.
3. The Department will calculate the Medicare payment reduction percentage and apply this same percentage reduction to the Medicaid allowed amount per discharge during the annual cost settlement.

Effective January 1, 2014, inpatient hospital target amounts per discharge excluding DSH add-on for hospitals qualifying under page 3, section 4, shall be:

	<u>Target</u>
BACKUS	\$4,201.23
BRIDGEPORT	\$5,356.54
BRISTOL	\$3,590.39
DANBURY	\$5,377.29
DAY KIMBALL	\$3,866.90
DEMPSEY	\$10,142.98
GREENWICH	\$5,874.16
GRIFFIN	\$4,225.19
HARTFORD	\$6,694.01
HOSP OF CEN. CT	\$4,170.67
HUNGERFORD	\$4,100.33
JOHNSON	\$3,225.21
LAWRENCE MEM.	\$4,520.92
MANCHESTER	\$4,842.67
MIDSTATE	\$3,900.75
MIDDLESEX	\$4,546.39
MILFORD	\$3,822.82
NEW MILFORD	\$5,975.37
NORWALK	\$5,803.77

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ROCKVILLE	\$3,679.08
SAINT FRANCIS	\$5,598.69
SAINT MARY	\$5,052.14
SAINT VINCENT	\$5,190.27
SHARON	\$3,447.13
STAMFORD	\$4,568.92
WATERBURY	\$4,868.02
WINDHAM	\$3,828.28
YALE-NEW HAVEN	\$5,807.17

Effective January 1, 2012, the per diem rate for general acute care children's hospitals, defined as any hospital which, on January 1, 2012, is within the class of hospitals licensed by the Department of Public Health as children's general hospitals, shall be:

	Per Diem
CONNECTICUT CHILDREN'S MEDICAL CENTER (CCMC)	\$2,172.85

Effective September 12, 2012, inpatient hospital psychiatric per diem rates for children under 19 years of age will differentiate between medically necessary acute days and medically necessary discharge delay days. Such rates shall be as follows:

	Child Psychiatric Inpatient Per Diem	
	Medically Necessary Acute Days	Medically Necessary Discharge Delay Days
BACKUS	\$677.78	\$576.11
BRIDGEPORT	\$765.34	\$650.54
BRISTOL	\$721.54	\$613.31
CCMC	\$1,730.25	\$1,470.71
DANBURY	\$742.18	\$630.86
DAY KIMBALL	\$623.80	\$530.23
DEMPSEY	\$776.29	\$659.85
GREENWICH	\$649.78	\$552.31
GRIFFIN	\$728.08	\$618.87
HARTFORD	\$854.66	\$726.46

TN# 14-010
Supersedes
TN# 12-021

Approval Date _____

Effective Date: 01/01/2014