

Department of Social Services

Notice of Proposed Medicaid State Plan Amendment

Acute Care Hospital Rates – Merger of Danbury and New Milford Hospitals (SPA 14-032)

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 revise the inpatient and outpatient rates for the merger of Danbury Hospital and New Milford Hospital.

Changes to Medicaid State Plan

Effective on or after October 1, the Medicaid State Plan will be amended to reflect a new inpatient target amount per discharge (target) for the new entity created by the merger of Danbury Hospital and New Milford Hospital. The new target will be the weighted average of the current targets for each hospital based on discharges for the year ended September 30, 2013.

Fiscal Information – Estimated Annual Change to Medicaid Expenditures

The changes are intended to be cost neutral, therefore, Medicaid reimbursement levels are not anticipated to change.

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, 55 Farmington Avenue, Hartford, CT 06105 (Phone: 860-424-5719, Fax: 860-424-4812, E-mail: christopher.lavigne@ct.gov). Please reference the relevant SPA number (*e.g.*, SPA 14-032, Acute Care Hospital Rates – Merger of Danbury and New Milford Hospitals).

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 September 30, 2014.

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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 November 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	\$5,412.57
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
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# 14-032
Supersedes
TN# 14-010

Approval Date _____

Effective Date: 11/01/2014