



General Assembly

Substitute Bill No. 5459

February Session, 2024



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AN ACT INCREASING RATES OF MEDICAID REIMBURSEMENT FOR CERTAIN PROVIDERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective July 1, 2024*) (a) As used in this section, (1)
2 "Medicaid rate study" means the study commissioned by the
3 Department of Social Services pursuant to public act 23-186; (2) "select
4 providers" means providers reimbursed under the Medicaid program
5 for behavioral health services, physician specialty services, including
6 surgery, anesthesia and radiology, autism services and dental services;
7 and (3) "five-state rate benchmark" means the average of rates for the
8 same services in Maine, Massachusetts, New Jersey, New York and
9 Oregon.

10 (b) Within available appropriations, the Commissioner of Social
11 Services shall implement the phase one recommendations of the
12 Medicaid rate study for select providers, including, but not limited to:
13 (1) Developing new rate methodology for behavioral health services
14 based on independently determined cost information and market
15 factors such as wage information recorded by the United States
16 Department of Labor's Bureau of Labor Statistics and provider
17 qualifications; (2) adjusting physician specialist service rates to a
18 specified percentage of Medicare rates for the same services; (3)
19 adjusting autism direct service rates to the five-state rate benchmark,

20 developing new service definitions and considering provider education
21 levels to standardize payment rates; and (4) adjusting dental service
22 rates to a specified percentage of the five-state rate benchmark,
23 achieving payment parity for adult and pediatric dental services and
24 creating incentives for service delivery and correct medical coding for
25 service payment.

26 (c) Not later than December 1, 2024, the Commissioner of Social
27 Services shall file a report on implementation of the recommendations,
28 in accordance with the provisions of section 11-4a of the general statutes,
29 with the joint standing committees of the General Assembly having
30 cognizance of matters relating to appropriations and the budgets of state
31 agencies and human services. The report shall include
32 recommendations regarding state appropriations needed to implement
33 subsequent phases of the Medicaid rate study recommendations.

34 Sec. 2. (*Effective from passage*) Notwithstanding the provisions of
35 section 17b-239 of the general statutes, the Commissioner of Social
36 Services shall, within available appropriations, on or before July 1, 2024,
37 increase by two hundred dollars the per diem rate for a chronic disease
38 hospital accredited by the Commission on Accreditation of
39 Rehabilitation Facilities.

40 Sec. 3. (*Effective July 1, 2024*) As used in this section, "All Patients
41 Refined Diagnosis Related Groups" or "APR-DRG" means a
42 classification system that classifies patients according to the reason for
43 their admissions, severity of illness and risk of mortality. Within
44 available appropriations, the Commissioner of Social Services shall
45 amend the Medicaid state plan to increase the (1) APR-DRG base
46 Medicaid reimbursement rate, and (2) Medicaid reimbursement rate for
47 physician services provided by physicians employed by or under
48 contract to the Connecticut Children's Medical Center.

49 Sec. 4. (*Effective July 1, 2024*) Within available appropriations, the
50 Commissioner of Social Services shall increase the flat Medicaid billing
51 rate for professional services from one hundred twenty dollars per hour

52 to one hundred sixty-nine dollars per hour for a provider of services
53 under the birth-to-three program established pursuant to chapter 319b
54 of the general statutes.

55 Sec. 5. (*Effective from passage*) The sum of ten million dollars is
56 appropriated to the Department of Social Services, from the General
57 Fund, in each of the fiscal years ending June 30, 2025, June 30, 2026, and
58 June 30, 2027, for the purpose of increasing Medicaid rates of
59 reimbursement for medical and dental services provided by federally
60 qualified health centers.

61 Sec. 6. (*Effective July 1, 2024*) (a) The Commissioner of Social Services
62 shall study rates of Medicaid reimbursement for durable medical
63 equipment, orthotics, prosthetics and supplies to determine how such
64 rates compare to the five-state rate benchmark as defined in section 1 of
65 this act and Medicare rates.

66 (b) The study shall include, but need not be limited to, estimated state
67 cost to (1) align rates of reimbursement for such equipment, orthotics,
68 prosthetics and supplies with the Medicare rate for such equipment,
69 orthotics, prosthetics and supplies, (2) if the rates are lower than the five-
70 state rate benchmark, align such rates with such benchmark, (3) provide
71 an annual increase in rates equal to any increase in the consumer price
72 index for all urban consumers, (4) provide a one-time increase in the
73 rates for such equipment, orthotics, prosthetics and supplies covered by
74 Medicaid but not Medicare by fifteen and three-tenths per cent and
75 provide an annual increase equal to any increase in the consumer price
76 index for all urban consumers, (5) ensure that any covered item for
77 which neither Medicaid nor Medicare has set a reimbursement rate shall
78 be paid at ninety per cent of the manufacturer's suggested retail price or
79 at forty-five per cent above minimum invoice cost if a manufacturer has
80 not set a suggested retail price, and (6) ensure that payment rates for
81 such equipment, orthotics, prosthetics and supplies are not less than one
82 hundred per cent of the corresponding Medicaid payment rates for such
83 equipment, orthotics, prosthetics and supplies.

84 (c) Not later than October 1, 2024, the commissioner shall file a report
85 on the study, in accordance with the provisions of section 11-4a of the
86 general statutes, with the joint standing committees of the General
87 Assembly having cognizance of matters relating to appropriations and
88 the budgets of state agencies and human services.

89 Sec. 7. (*Effective July 1, 2024*) The Commissioner of Social Services
90 shall study the Medicaid rates of reimbursement for podiatrists to
91 determine whether such rates are (1) comparable with the five-state rate
92 benchmark as defined in section 1 of this act, and (2) sufficient to ensure
93 an adequate pool of providers to meet the needs of Medicaid enrollees.
94 Not later than October 1, 2024, the commissioner shall, in accordance
95 with the provisions of section 11-4a of the general statutes, file a report
96 on the results of the study with the joint standing committees of the
97 General Assembly having cognizance of matters relating to
98 appropriations and the budgets of state agencies and human services.

99 Sec. 8. (NEW) (*Effective from passage*) (a) As used in this section,
100 "Electronic Consultation" or "E-Consult" means a consultation typically
101 conducted electronically between a primary care provider and a medical
102 specialist through an Internet-based secure messaging platform. The
103 Commissioner of Social Services shall (1) develop policies and
104 procedures authorizing E-Consults as a means to improve timely and
105 cost-effective access to care for Medicaid enrollees, and (2) amend the
106 Medicaid state plan if necessary to provide Medicaid reimbursement for
107 E-Consults.

108 (b) Not later than October 1, 2024, the commissioner shall, in
109 accordance with the provisions of section 11-4a of the general statutes,
110 file a report with the joint standing committee of the General Assembly
111 having cognizance of matters relating to human services on
112 development of the policies and procedures and any amendments to the
113 Medicaid state plan necessary to provide Medicaid reimbursements for
114 E-Consults.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2024</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2024</i>	New section
Sec. 4	<i>July 1, 2024</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>July 1, 2024</i>	New section
Sec. 7	<i>July 1, 2024</i>	New section
Sec. 8	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In Section 6(b), "equipment and supplies" was changed throughout to "equipment, orthotics, prosthetics and supplies" and in Section 6(b)(4), the word "equal" was inserted after "annual increase", for accuracy.

HS

Joint Favorable Subst.-LCO C/R

APP