

**DEPARTMENT OF SOCIAL SERVICES
DIVISION OF FINANCIAL MANAGEMENT & ANALYSIS
MEMORANDUM**

TO: Brenda M. Parrella, Director
Office of Legal Counsel, Regulations and Administrative Hearings

FROM: Lee Voghel
Director, Financial Management and Analysis

DATE: May 3, 2013

RE: Fiscal Note for proposed Reg. #12-24 Requirements for Payment to Federally Qualified Health Centers

Attached is the fiscal note to accompany the regulation cited above when it is submitted to the Governor's Office and to the Office of Policy and Management for approval. If you have any questions, please feel free to contact me at 424-5842.

Thank you.

Cc: Roderick Bremby, Commissioner
Kathy Brennan
Robert Zavoski
Melanie Dillion
Michael Gilbert
Mari Spallone
Nicholas Venditto
Nicholas Mazzatto

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATIONS

AGENCY SUBMITTING REGULATION Department of Social Services DATE May 3, 2013SUBJECT MATTER OF REGULATION Requirements for Payment to Federally Qualified Health CentersREGULATION SECTION NO. 17b-262-994 to 1005 STATUTORY AUTHORITY 17b-262

OTHER AGENCIES AFFECTED _____

EFFECTIVE DATE USED IN COST ESTIMATE Upon PassageESTIMATE PREPARED BY Nicholas MazzattoQUESTIONS SHOULD BE ADDRESSED TO Lee Voghel TELEPHONE 424-5842

SUMMARY OF STATE COST AND REVENUE IMPACT OF PROPOSED REGULATION

Agency Department of Social Services Fund Affected General

	First Year 2013	Second Year 2014	Full Operation
Number of Positions	_____	_____	_____
Personal Services	_____	_____	_____
Other Expenses	_____	_____	_____
Equipment	_____	_____	_____
Grants (Medicaid)	_____	_____	_____
Total State Cost (Savings)	\$0	\$0	\$0
Estimated Revenue Gain (Loss)	\$0	\$0	\$0
Total Net State Cost (Savings)	\$0	\$0	\$0

STATE IMPACT OF REGULATION:

This proposal seeks to add sections 17b-262-994 to 17b-262-1005 of the Regulations of Connecticut State Agencies regarding requirements for payment to federally qualified health centers.

Sections 17b-262-994 to 17b-262-1005, inclusive, of the Regulation of Connecticut State Agencies set forth the Department of Social Services requirements for payment to federally qualified health centers for services

provided to clients who are eligible to receive such services under Medicaid pursuant to section 17b-262 of the Connecticut General Statutes.

The purpose of the proposed regulation is to establish, in regulation form, the requirements for payment for federally qualified health center services provided to Medicaid clients.

The problems, issues or circumstances that the regulation proposed to address the existing regulations are outdated and inconsistent with the federal requirements for payment to federally qualified health centers under 42 USC 1396a (bb).

The main provisions of the regulation propose to: (1) add new definitions as necessary; (2) specify services that are covered and billable as encounters; (3) specify services that are not billable as an encounter but included in the encounter rate; (4) specify services not covered; (5) describe the process by which an FQHC may request an adjustment of its encounter rate based upon a change in scope of services; (6) clarify prior authorization requirements; (7) describe billing requirements and the methodology for calculating the encounter rate; and (8) outline documentation and audit requirements.

The legal effect of the regulation is to adopt the department's current policies and procedures regarding the payment for federally qualified health center services provided to Medicaid clients as a regulation and to repeal sections 17-134d-70 to 17-134d-78, inclusive, of the Regulations of Connecticut State Agencies.

FINANCIAL IMPACT:

The provisions of the proposed regulation are technical in nature and are intended to update the current regulations to meet federal requirements. As a result, there is no anticipated fiscal impact.

EXPLANATION OF MUNICIPAL IMPACT OF REGULATION: None.

SMALL BUSINESS IMPACT : None

While the Department does not anticipate that the proposed regulations will have a significant impact on small businesses, small businesses will have the opportunity to bring any unanticipated concerns to the Department's attention through notice and public comment.