



General Assembly

January Session, 2015

**Committee Bill No. 5827**

LCO No. 4552



Referred to Committee on HUMAN SERVICES

Introduced by:  
(HS)

***AN ACT CONCERNING MEDICAID-FUNDED HOME CARE.***

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

1 Section 1. Subsection (a) of section 17b-242 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective July*  
3 *1, 2015*):

4 (a) The Department of Social Services shall determine the rates to be  
5 paid to home health care agencies and homemaker-home health aide  
6 agencies by the state or any town in the state for persons aided or  
7 cared for by the state or any such town. [For the period from February  
8 1, 1991, to January 31, 1992, inclusive, payment for each service to the  
9 state shall be based upon the rate for such service as determined by the  
10 Office of Health Care Access, except that for those providers whose  
11 Medicaid rates for the year ending January 31, 1991, exceed the median  
12 rate, no increase shall be allowed. For those providers whose rates for  
13 the year ending January 31, 1991, are below the median rate, increases  
14 shall not exceed the lower of the prior rate increased by the most  
15 recent annual increase in the consumer price index for urban  
16 consumers or the median rate. In no case shall any such rate exceed the

17 eightieth percentile of rates in effect January 31, 1991, nor shall any rate  
18 exceed the charge to the general public for similar services. Rates  
19 effective February 1, 1992, shall be based upon rates as determined by  
20 the Office of Health Care Access, except that increases shall not exceed  
21 the prior year's rate increased by the most recent annual increase in the  
22 consumer price index for urban consumers and rates effective  
23 February 1, 1992, shall remain in effect through June 30, 1993. Rates  
24 effective July 1, 1993, shall be based upon rates as determined by the  
25 Office of Health Care Access except if the Medicaid rates for any  
26 service for the period ending June 30, 1993, exceed the median rate for  
27 such service, the increase effective July 1, 1993, shall not exceed one  
28 per cent. If the Medicaid rate for any service for the period ending June  
29 30, 1993, is below the median rate, the increase effective July 1, 1993,  
30 shall not exceed the lower of the prior rate increased by one and one-  
31 half times the most recent annual increase in the consumer price index  
32 for urban consumers or the median rate plus one per cent.] The  
33 Commissioner of Social Services shall establish a fee schedule for home  
34 health services to be effective on and after July 1, 1994. The  
35 commissioner may annually modify such fee schedule if such  
36 modification is needed to ensure that the conversion to an  
37 administrative services organization is cost neutral to home health care  
38 agencies and homemaker-home health aide agencies in the aggregate  
39 and ensures patient access. Utilization may be a factor in determining  
40 cost neutrality. The commissioner shall increase the fee schedule for  
41 home health services provided under the Connecticut home-care  
42 program for the elderly established under section 17b-342, effective  
43 July 1, 2000, by two per cent over the fee schedule for home health  
44 services for the previous year. On and after July 1, 2015, the  
45 commissioner shall restructure the Medicaid reimbursement model for  
46 home health services to reflect the Medicare model for such services. In  
47 implementing such model, the commissioner shall: (1) Adjust base  
48 Medicaid rates for home health care to address provider cost  
49 differences by geographic region, except where base rates would be  
50 reduced; (2) ensure access and capacity; and (3) address the increased

51 need for pediatric home health care services delivered by home health  
52 care providers. The commissioner may increase any fee payable to a  
53 home health care agency or homemaker-home health aide agency  
54 upon the application of such an agency evidencing extraordinary costs  
55 related to [(1)] (A) serving persons with AIDS; [(2)] (B) high-risk  
56 maternal and child health care; [(3)] (C) escort services; (D) pediatric  
57 home health care services or [(4)] (E) extended hour services. In no case  
58 shall any rate or fee exceed the charge to the general public for similar  
59 services. A home health care agency or homemaker-home health aide  
60 agency which, due to any material change in circumstances, is  
61 aggrieved by a rate determined pursuant to this subsection may,  
62 within ten days of receipt of written notice of such rate from the  
63 Commissioner of Social Services, request in writing a hearing on all  
64 items of aggrievement. The commissioner shall, upon the receipt of all  
65 documentation necessary to evaluate the request, determine whether  
66 there has been such a change in circumstances and shall conduct a  
67 hearing if appropriate. The Commissioner of Social Services shall  
68 adopt regulations, in accordance with chapter 54, to implement the  
69 provisions of this subsection. The commissioner may implement  
70 policies and procedures to carry out the provisions of this subsection  
71 while in the process of adopting regulations, provided notice of intent  
72 to adopt the regulations is published [in the Connecticut Law Journal]  
73 on the Department of Social Services' Internet web site and the  
74 eRegulations System not later than twenty days after the date of  
75 implementing the policies and procedures. Such policies and  
76 procedures shall be valid for not longer than nine months.

77 Sec. 2. Section 17b-343 of the general statutes is repealed and the  
78 following is substituted in lieu thereof (*Effective July 1, 2015*):

79 The Commissioner of Social Services shall establish annually the  
80 maximum allowable rate to be paid by agencies for homemaker  
81 services, chore person services, companion services, respite care, meals  
82 on wheels, adult day care services, case management and assessment  
83 services, transportation, mental health counseling and elderly foster

84 care, [, except that the maximum allowable rates in effect July 1, 1990,  
85 shall remain in effect during the fiscal years ending June 30, 1992, and  
86 June 30, 1993.] The Commissioner of Social Services shall prescribe  
87 uniform forms on which agencies providing such services shall report  
88 their costs for such services. Such rates shall be determined on the  
89 basis of a reasonable payment for necessary services rendered. The  
90 maximum allowable rates established by the Commissioner of Social  
91 Services for the Connecticut home-care program for the elderly  
92 established under section 17b-342 shall constitute the rates required  
93 under this section until revised in accordance with this section. The  
94 Commissioner of Social Services shall establish a fee schedule, to be  
95 effective on and after July 1, 1994, for homemaker services, chore  
96 person services, companion services, respite care, meals on wheels,  
97 adult day care services, case management and assessment services,  
98 transportation, mental health counseling and elderly foster care. The  
99 commissioner may annually increase any fee in the fee schedule based  
100 on an increase in the cost of services. The commissioner shall increase  
101 the fee schedule effective July 1, 2000, by not less than five per cent, for  
102 adult day care services. The commissioner shall increase the fee  
103 schedule effective July 1, 2011, by four dollars per person, per day for  
104 adult day care services. On and after July 1, 2015, the commissioner  
105 shall restructure the Medicaid reimbursement model for home health  
106 services to reflect the Medicare model for such services. In  
107 implementing such model, the commissioner shall: (1) Adjust base  
108 Medicaid rates for home health care to address provider cost  
109 differences by geographic region, except where base rates would be  
110 reduced; (2) ensure access and capacity; and (3) address the increased  
111 need for pediatric home health care services delivered by home health  
112 care providers. Nothing contained in this section shall authorize a  
113 payment by the state to any agency for such services in excess of the  
114 amount charged by such agency for such services to the general public.

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

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Section 1	July 1, 2015	17b-242(a)
Sec. 2	July 1, 2015	17b-343

**Statement of Purpose:**

To institute a Medicaid reimbursement model for home care based on the Medicare model for home care.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: REP. COOK, 65th Dist.

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