

Human Services Committee JOINT FAVORABLE REPORT

Bill No.: HB-6885

Title: AN ACT CONCERNING MEDICAID PAYMENT RATES.

Vote Date: 3/21/2023

Vote Action: Joint Favorable Change of Reference to Appropriations

PH Date: 3/16/2023

File No.:

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SPONSORS OF BILL:

Human Services Committee

CO-SPONSORS OF BILL:

Sen. Saud Anwar, 3rd Dist.

Rep. Eleni Kavros DeGraw, 17th Dist.

Rep. Jennifer Leeper, 132nd Dist.

REASONS FOR BILL:

Over the years, providers have seen an increase in expenditures while also seeing a decrease in staff due to stagnant Medicaid reimbursement rates. Providers have seen staff move to other states that have higher rates, leaving providers worried as to how they will provide quality care to patients. Increasing the Medicaid reimbursement rates will help providers and provide equity of access to Medicaid beneficiaries. This bill will increase Medicaid payment rates for services provided by individual, fee-for-service providers, and emergency medical transportation providers to Medicare rates for the same services. Additionally, this bill would require a study of Medicaid payment rates for certain long-term acute care hospitals and methadone maintenance providers.

RESPONSE FROM ADMINISTRATION/AGENCY:

Department of Social Services (DSS), Commissioner, Andrea Barton Reeves; opposes the bill stating increasing the rates for fee-for-service providers will create significant costs for the state and there will be inequities in rate disparities amongst providers who are not paid under fee-for-service methodology. It is stated coverage is already provided or can be provided for clinically fitting services and requests clarification on if the coverage is being provided through the school-based child health (SBCH) program or school-based health centers (SBHCs). It is also stated increasing the rate for emergency medical transportation

should have further review since there have been rate increases in 2015 and 2021. It is also stated that the Governor's budget includes a study to understand rate disparities and funding.

NATURE AND SOURCES OF SUPPORT:

Connecticut General Assembly, State Senator, Saud Anwar, supports this bill stating that EMS professionals have been dealing with budget constraints since before the COVID-19 pandemic, and as a result, have had an increase in response time despite the increase in calls. It is stated that due to low payment rates, some ambulance services cannot update their ambulance services, which can lead to a care desert where residents may not have access to a quick, effective response in case of an emergency. It is also stated conducting a study of Medicaid payment rates will reveal the issues providers are facing and determine opportunities to support this industry.

The following individuals have submitted written testimony in support of this bill. It is stated Connecticut's cities and towns are having difficulties providing ambulance services for Medicaid patients at the current rate. It is stated increasing the Medicaid rate to match the federal Medicare rate will assist municipalities and allow the state to be eligible for additional federal funding.

Connecticut Council of Small Towns, Executive Director, Betsy Gara
Town of Barkhamsted, First Selectman, Donald Stein
Town of Bethany, First Selectman, Paula Cofrancesco
Town of Canton, First Selectman, Robert Bessel
Town of Coventry, Town Manager, John Elsesser
Town of Harwinton, First Selectman, Michael R. Criss

American Academy of Pediatrics, CT Chapter Chair, Advocacy Committee, Molly Markowitz; supports the bill stating there is a low number of pediatric subspecialists that accept Medicaid. It is stated that the reimbursement rates can be seen as a health equity issue as black and brown children are more likely to be Medicaid patients.

American Medical Response of Connecticut, Regional Director, William Schietinger; supports this bill stating the EMS system is facing challenges with the finances and system which may affect an ambulance provider's ability to respond quickly in case of an emergency. It is stated increasing reimbursement rates would be a crucial first step.

Association of Connecticut Ambulance Providers, President, Greg Allard; supports this bill stating that current EMS Medicaid rates do not cover the cost of ambulance trips and care being provided, leading to various challenges. It is stated that statewide EMS increases would apply to all licensed and certified EMS organizations including volunteer, non-profit, municipal, fire departments, hospital-based, or other commercial-based services. It is also stated this would be a significant infusion of dollars and enable providers to address some of the workforce challenges that have led to record mutual aid calls across the state.

Aetna Ambulance and Ambulance Service of Manchester (ASM), President, Kim Aroh; supports this bill stating that the costs for emergency services have increased given the COVID-19 pandemic and inflation. It is stated that staff has declined, and the Medicaid

reimbursement rate has not increased and without an increase, the EMS system will not be ready to respond to an emergency properly.

Benhaven Children's Behavioral Services, Clinical Director, Arlene Dworkin Kaye; supports the bill stating that Connecticut has lower Medicaid rates compared to neighboring states which are impacting access to services for families of children with autism.

Brooker Memorial, Executive Director, Cathy Coyle; supports the bill stating the rising costs to provide quality care and low reimbursement rates are threatening the ability to care for children and preventing their ability to increase access to health care and dental services for at-risk populations.

Child and Family Agency of SECT, Inc., Program Manager of Medical Services, Jessica Chan; supports this bill stating that certain services School-Based Health Centers (SBHCs) provide are not reimbursable under the current fee schedules. It is stated that SBHCs assist children to reach their full potential through their solution-based model.

Child and Family Agency of SECT, Inc., Behavioral Health Program Manager, Jason Shirley; supports the bill stating that SBHC sites will be able to continue to offer support for young people and move closer to sustainability. It is stated that currently that it has become difficult to financially sustain SBHCs due to inflation and rising costs of every item connected to service delivery have tightened budgets.

Concert Health, Co-Founder & COO, Virna Little; supports this bill and requests the addition of an amendment that would add Collaborative Care codes. It is stated this amendment would improve the access to evidence-based behavioral healthcare and the health of patients who need it most.

Connecticut EMS Chiefs Association / New Britain Emergency Medical Services, Inc., President & CEO, Bruce Baxter; supports the bill stating that Connecticut Medicaid reimbursement rates for ambulance service do not cover the cost of providing EMS services to Medicaid beneficiaries. It is stated that bringing Connecticut's Medicaid ambulance reimbursement rates to 100% of the Medicare Ambulance Fee Schedule Rates for Connecticut will help the ambulance services across the state.

Connecticut Addiction Medicine, Addiction Medicine Physician, Jay Benson; supports the bill stating they have a private practice that treats patients with substance abuse disorder. It is stated that most of their patients have Medicaid coverage and without an increase in the Medicaid rate reimbursement, they will not be able to keep their practice open for another year.

Connecticut Association of Optometrists, Legislative Chair, Brian T. Lynch; supports this bill stating that a five-year phase-in of Medicaid rates to comparable Medicare reimbursements would make care more readily available for patients by increasing the number of participating providers within the system.

Connecticut Association of School Based Health Centers, Executive Director, Melanie Wilde-Lane; supports this bill stating that SBHCs will continue to offer support for young

people and move closer to sustainability. It is stated children that who experience health disparities require models of care that better serve their healthcare needs.

Connecticut Chiropractic Association, Chiropractic Physician & Past President, Francis Vesce; supports this bill stating that the low reimbursement rates have prevented Chiropractic Physicians from accepting new Medicaid patients. It is stated raising the reimbursement rates will change this and allow Medicaid patients access to their services.

Connecticut Chiropractic Council, Chiropractor, & Legislative Chair, Doug Stranko; supports the bill stating that low reimbursement rates can dissuade chiropractors from providing care for Medicaid patients or joining the Medicaid program at all.

Connecticut College of Emergency Physicians, Legislative Chair & Past President, Daniel Freess; supports the bill stating this will bring much-needed access to care for the state's Medicaid population. It is stated that hospitals and physicians are operating at a loss due to the low Medicaid reimbursement rates.

The Connecticut Hospital Association; supports this bill stating that payment parity with Medicare would strengthen and sustain payment capability for individual healthcare providers and it would ensure equity of access for Medicaid beneficiaries when it comes to improving healthcare outcomes.

Connecticut Naturopathic Physicians Association, President, Lindsey Wells; supports the bill stating that the increases apply to providers who are on a fee-for-service arrangement, however, since they are not included in the federal Medicare program, the increases in Medicaid will not apply to them. It is suggested that an alternative approach be added to include Naturopathic providers.

Connecticut Podiatric Medical Association, President, Kristen Winters; supports the bill stating that these low payments discourage provider participation in the Medicaid program and make it more difficult for Medicaid patients to get much-needed services.

Connecticut Society of Acupuncturists, Board of Directors, Matthew Maneggia; supports the bill stating the low reimbursement rates provided by Medicaid are preventing a large number of acupuncturists from participating in the Medicaid program. It is stated increasing reimbursement rates will allow for more Medicaid patients to receive non-pharmaceutical care.

Connecticut State Medical Society (CSMS); supports the bill stating that Connecticut struggles to retain the physicians trained here and would prefer to go to another state that is forming policies that attract physicians. It is stated increasing Medicaid rates could be one such initiative toward making Connecticut a place for young physicians to stay. It is also stated that having access to healthcare will decrease the overall cost to the healthcare system as well.

Connecticut State Society of Anesthesiologists, Anesthesiologist, Kenneth Stone, MD; supports the bill stating that anesthesiologists and anesthesia practices tend to have coverage contracts with hospitals that provide care to all patients without regard to insurance.

It is stated the low Medicaid reimbursement rates do not cover the cost of the service provided which can have consequences on recruitment.

Connecticut Oral Health Initiative, Inc., Executive Director, T J Clarke II; supports this bill stating SBHCs offer a means of support for young individuals to remain in school and be successful. It is stated that maintaining good oral health is vital to overall health. It is stated Connecticut must meet its obligations to improve oral health care for all its residents.

Gaylord Hospital, Legislative Liaison Katherine Reilly; supports the bill stating that a rate increase will allow the hospital to provide services to more Medicaid patients given the increases in the cost of care over the years.

Health Equity Solutions, Director of Policy, Karen Siegel; supports the bill stating that Medicaid rates should be brought to a sensible payment rate. It is stated that a standardized approach be applied to all Medicaid payment rates including providers that use alternative payment methodologies.

The following individuals from the Integrated Anesthesia Associates (IAA) have submitted written testimony in support of this bill. It is stated the current Medicaid reimbursement rate for anesthesia is \$14 per unit and has not increased since 2006. It is stated because of the flat rate, anesthesiologists are leaving for states with higher reimbursement rates, thus causing staff shortages.

Integrated Anesthesia Associates Fairfield Division, President, Thomas Bladek, MD
Integrated Anesthesia Associates, Physician & Anesthesiologist, Trevor Sutton, MD
Integrated Anesthesia Associates, Executive Board Member, Adam Sachs, MD
Integrated Anesthesia Associates Fairfield Division, Board Member & Anesthesiologist, Gale Segarra Roberts, MD
Integrated Anesthesia Associates, Anesthesiologist, Witold Waberski, MD

International Association of EMTs and Paramedics, National Representative, Peter Zera; supports the bill stating the increases in reimbursement rates will be beneficial for the EMS industry given the obstacles faced over the years. It is stated having data will allow a better picture of what additional services are needed to provide support to the EMS industry.

New Hartford Volunteer Ambulance, Chief, Nicholas Maltby, supports the bill stating that EMS agencies are in a dire state and increasing Medicaid reimbursement rates will allow the continuation of essential 911 ambulance services.

Northeast Emergency Medicine Specialists, Managing Partner, Gregory Shangold; supports the bill stating that Medicaid patients have trouble accessing community healthcare daily. It is stated increasing Medicaid rates will allow patients would have better access to healthcare and will bolster the emergency departments.

NP Business Consultants, LLC, Nurse Practitioner, Lynn Rapsilber, supports the bill stating that nurse practitioners play an integral role in caring for this population of patients and the increase in reimbursement rates will allow the care to continue.

Oak Hill, Bruce Stovall; supports this bill stating that the staff shortage is a direct result of years of flat funding which have made non-profits no longer competitive with other career fields. It is stated indexing rates to inflation is a sound solution that would allow non-profits to provide sorely needed services to Connecticut's neediest families and most vulnerable individuals.

Radiological Society of CT, Immediate Past President, Michael Crain, MD; supports the bill stating that if the current Medicaid rates do not increase, then patients will have few providers accepting Medicaid, creating another barrier to those seeking care. It is stated increasing the rates will begin the process of rectifying fee inequities.

Root Center for Advanced Recovery, President & CEO, Steven Zuckerman; supports the bill stating that the rates for methadone maintenance providers must be increased. It is stated an increase will retain the methadone treatment workforce and will allow the state to invest in these providers.

Social Welfare Action Alliance of CT, Member, Margaret Goodwin; supports this bill stating that some providers have turned away Medicaid patients due to low reimbursement rates. It is stated that Medicaid rates should be the same as private insurance rates so nonprofit organizations can retain and gain staff.

Stamford Emergency Medical Services, Chief & CEO, Edward Browne; supports the bill stating an increase in Medicaid reimbursement rates for EMS to meet the level of Medicare reimbursement would provide much-needed economic relief to the ambulance service and industry.

Connecticut Resident, Dr. Steven Donlon; supports this bill stating this will promote equity in the healthcare field. It is stated that some providers have turned away Medicaid patients due to low reimbursement rates.

Connecticut Resident, Karen Roche; supports this bill.

Connecticut Resident, Paul Roche; supports this bill stating services for the disabled are a vital aspect of the community.

NATURE AND SOURCES OF OPPOSITION:

None stated.

NATURE AND SOURCES OF GENERAL COMMENTS:

Community Health Center Association of Connecticut, Interim CEO, Katherine Yacavone; took no position and suggested that Connecticut's Federally Qualified Health Centers be added to this bill as an amendment. It is stated that FQHCs have not been granted Change in Scope Requests that would adjust their Medicaid rates to the actual visit costs.

Connecticut Community Nonprofit Alliance, Director of Government Relations, Ben Shaiken; took no position stating the bill should include the Medicaid rates for community nonprofits given the services they provide.

Connecticut Orthopaedic Society, President, Tarik Kardestuncer; took no position on this bill stating that reimbursement rates for Ambulatory Surgery Centers (ASCs) should be included in this bill. It is stated this policy hurts surgeons and ASCs and creates a disparity.

Disability Rights CT, Litigation Attorney, Sheldon Toubman; took no position on this bill stating that the increases will improve access to specialists, however, it does not address the needs of children who are not covered by Medicare. It is stated that Medicaid rates for ASD services are low compared to other states, resulting in long wait lists. It is stated if the Medicaid rate for ASD services were to be increased, it will allow an increase in healthcare access for disabled children throughout the state.

Reported by: Isaac Agyemang-Duah

Date: March 31, 2023