



STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

Roderick L. Bremby
Commissioner

May 31, 2016

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Senator Beth Bye, Co-Chair
Representative Toni E. Walker, Co-Chair
Senator Robert J. Kane, Ranking Member
Representative Melissa H. Ziobron, Ranking Member
Appropriations Committee
Legislative Office Building, Room 2700
Hartford, CT 06106

Senator Marilyn Moore, Co-Chair
Representative Catherine Abercrombie, Co-Chair
Senator Joe Markley, Ranking Member
Representative Terrie Wood, Ranking Member
Human Services Committee
Legislative Office Building, Room 2000
Hartford, CT 06106

**Re: Report Pursuant to Conn. Gen. Stat. 17b-242(c) of the 2016 Supplement
Medicaid Reimbursement for Home Health Medication Administration**

Dear Honorable Co-Chairs and Ranking Members:

In accordance with section 17b-242(c) of the 2016 supplement to the Connecticut General Statutes, the Department is reporting to your committees that a 15% rate reduction will be implemented in the Medicaid program for medication administration provided by a licensed home health care provider. The effective date of this rate reduction is July 1, 2016. The Department has determined that the rate of savings related to medication administration assumed under the 2016-2017 state budget approved by the General Assembly will not be achieved unless this rate reduction is implemented. As demonstrated in supporting attachments, even with the implementation of the rate reduction we will be unable to achieve the full savings assumed in the state budget. Attached is the Department's analysis of provider specific cost and utilization trend data for individuals receiving medication administration. This analysis shows that it is necessary for the Department to implement a rate decrease in order to achieve the savings assumed in the state budget.

Other than medication administration by a licensed nurse, three additional services are billable under Medicaid to maintain the stability of Medicaid members who need assistance with

the administration of medication while in the community. Specifically, Medicaid also reimburses for: 1) nurse delegation to a certified home health aide to administer medication; 2) electronic medication dispensing machines (“med boxes”); and 3) medication prompting provided by a home health aide. We will continue to work with licensed home health care providers and our administrative services organizations to identify those members who do not require a nurse to administer their medication while ensuring the members’ stability in the community. In addition, the Department will continue to examine the possibility of a pay for performance program for those licensed home health care providers who have established successful nurse delegation and medication prompting programs.

If you have any questions, please contact William Halsey, LCSW, MBA, Director of Integrated Care, Division of Health Services, at (860) 424-5077 or william.halsey@ct.gov.

Sincerely,



Roderick L. Bremby
Commissioner

Enclosures: Report Regarding Medication Administration Reimbursement Reduction
Master Home Health Utilization and Expenditure Spreadsheet

Cc: Kathleen Brennan, Deputy Commissioner, DSS
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Susan Eccleston, OPM