

Human Services Committee JOINT FAVORABLE REPORT

Bill No.: HB-7191

AN ACT CONCERNING MEDICAID RATE INCREASES, PLANNING AND

Title: SUSTAINABILITY.

Vote Date: 3/14/2025

Vote Action: Joint Favorable

PH Date: 3/11/2025

File No.: 413

Disclaimer: *The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Human Services Committee

CO-SPONSORS OF BILL:

Rep. Amy Morrin Bello, 28th Dist.

Rep. Jillian Gilchrest, 18th Dist.

Rep. Tom Delnicki, 14th Dist.

REASONS FOR BILL:

Growing health costs are of concern for patients and medical professionals in Connecticut. A key aspect to providing medical care for patients is the reimbursement rates from public insurance, such as Medicaid. Reimbursement rates need to be adjusted in accordance with current economic impacts and standards set by similar states. Section 1 of Public Act 23-186 commissioned a Medicaid rate study to understand the current landscape on Medicaid reimbursement rates in Connecticut and in comparison, to Medicare and peer states.

Section 1 of this bill will require the Commissioner of Social Services to increase the Medicaid reimbursement rate according to the Medicaid rate study. From July 1, 2025, to June 30, 2028, the Medicaid rates should not be less than 75% of the most recent rates for the health care service. For health care services with no corresponding Medicare rates, the rate should equal a percentage of the five-state benchmark (Maine, Massachusetts, New Jersey, New York, and Oregon) that would create an equivalent rate increase. After June 30, 2028 the rates should continue to increase according to these two methods or according to any percentage increase in the Medicare Economic Index. Fee schedules should also be consolidated.

Section 2 of this bill will require the Department of Social Services (DSS) to create a new base encounter rate for federally qualified health centers (FQHCs) based on their costs during the 2024 fiscal year, but the rate should not be less than previous rates or interfere with annual adjustments for inflation rates. This section also sets a procedure for FQHCs to negotiate their encounter rate with DSS.

Section 3 of this bill directs the Commissioner of Social Services to increase Medicaid reimbursement rates for FQHCs by January 1st of each year according to the most recent percentage increase in the Medicare Economic Index.

Section 4 of this bill directs the Council of Medical Assistance Program Oversight to create an ongoing review of the Medicaid provider reimbursement rates and file a report with the Committees of Appropriations and Human Services by January 15, 2026, and every year afterwards.

RESPONSE FROM ADMINISTRATION/AGENCY:

Department of Social Services (DSS), Commissioner, Andrea Barton Reeves; opposes the bill. Section 1 is duplicative of currently existing work in DSS. Rate studies should not be used to set policies but to further investigate solutions to currently existing issues. DSS is focusing on aspects from the rate study that signal the greatest disparities in the state. Section 2 would not allow DSS to carry out a proper review of FQHC rates in a fiscally and sustainable manner. Changing the base encounter rates would also require an amendment in the plan set with the federal Centers for Medicare and Medicaid Services and cannot be set according to 2024 fiscal reports due to the reports not being filed and audited yet. This section would also negate the ability for DSS to get reports from FQHCs in a timely manner, which could be costly. Section 3 does not have funding allocated to it from the Governor's recommended budget.

NATURE AND SOURCES OF SUPPORT:

Connecticut General Assembly, State Representative, Rebecca Martinez; supports this bill to improve the payment and quality of care provision for home care nursing. Massachusetts provides a successful model for addressing Medicaid reimbursement rate, which Connecticut should consider. Connecticut should increase the Medicaid medication administration rate to Massachusetts' rate, eliminate the rate reduction when a nurse provides care for two residents at the same address, and reintroduce an administration line to provide funding for agencies to develop measures for safety.

Connecticut General Assembly, State Representative, Geraldo Reyes Jr.; supports the effort to implement an ongoing systemic review of Medicaid provider reimbursement rates to ensure rates are adequate to sustain a sufficient provider pool to provide Medicaid member access to high-quality care.

Testimony provided on behalf of Behavioral Health Associations and Providers:

[Connecticut Health Policy Project, Director, Ellen Andrews:](#) provides policy analysis demonstrating that BH rates are the most out of range when compared with other provider rates.

[Art and Soul Art Therapy, Inc., Ciara Alford:](#) supports this bill as current Medicaid reimbursement rates for mental health services are low and are needing an increase to help expand the Medicaid provider workforce.

[Art and Soul Art Therapy LLC, CLAT, Briana Benn-Mirandi, LPC, CLAT](#)
[Valerie Drake, LPC, ATR-BC, Art and Soul Art Therapy, Inc.](#)
[Sarah Ferrigno, Art and Soul Art Therapy, Inc.](#)
[Art and Soul Therapy LLC, Yvonne Moser, LPCA \(associate\)](#)

[Restorative Hearts LLC, & CTAMFT Advocacy Committee Member, Ashley Quinones, LMFT](#)

[The Thrive Center, Licensed Clinical Social Worker, Kaitlin Binnington](#)
[David Borzellino, LMFT, AADC](#)

[Pieces That Fit, Owner, Debra Borzellino, LMFT](#)

[LifeBridge Community Services, CEO, Edith Boyle, LCSW:](#) testifies the agency, and many other like it, are at risk for collapse after 175 years of service for lack of appropriate reimbursement.

[CTAMFT, DEI Chair, Jordan Bryant, LMFT](#)

[CTAMFT, Treasurer, Jill Bukowski, LMFT](#)

[CTAMFT, Engagement Chair, Kristina Chomick, LMFT](#)

[CTAMFT, Advocacy Committee Member, Amanda Pasciucco LMFT, PhD](#)

[Beehive Counseling, Owner, Rebecca Burton, LMFT](#)

[Geena Chiaravalloti, LMFT](#)

[Kristen Diekmann, M. ED., LMFT](#)

[Karissa Ekwall, LMFTA \(associate\)](#)

[Joel Garcia, LMFT](#)

[Life Coaching and Therapy LLC, Graduate Intern, Alex Rodriguez, MFT \(intern\)](#)

[CTAMFT, Advocacy Chair, Jaime Rodriguez, LMFT](#)

[Revive Family Therapy, LLC, Owner & Therapist, Rebecca Ruitto, LMFT](#)

[Diana Abate Schneider LLC, Owner & Therapist, Diana Schneider, LMFT](#)

[Clear Water Counseling, LLC, Julia Tucker Wood, LMFT](#)

[Stephanie Vacek, LMFT](#)

[Amy Young, LMFT](#)

[Michael Saraceno, LMFT](#)

[Jen Schaefer, LMFT, CTAMFT Clinical Fellow](#)

[Private Practice Owner & Therapist, Barbara Slim, LMFT](#)

[Elliott Strick, LMFT](#)

[Fianna Family Therapy, May Fianna, LMFT](#)

[Jessica Joseff, LMFT](#)

[Eric Kelly, LMFT](#)

[Relationship Enrichment Center, Therapist & Owner, Chanel Myers, LMFT](#)

[Sandra Owens, LMFT](#)

[Olivia Pace, LMFT](#)

[Compass Counseling Services, Owner & Therapist, Theresa Pennachio, LMFT](#)

Connecticut Psychological Association, Director of Professional Affairs, Maria Victoria Ramos, Psy.D.
ASC Clinical, April Collins, LPC
Tiffany Franceschi, LPCA (associate)
New Voyage Counseling, Daniel Mirandi, LPC

Transitions Therapy LLC, Owner & Therapist, Sarah Gilbert, LCSW, National Association of Social Work (NASW)
Melissa Hoon, LCSW and NASW member
Julia Israelski, LCSW
The Thrive Center, Clinical Director, Lorraine Moreno, LCSW

Coastal Connecticut Counseling, LLC, Founder, Alyssa Kolesar: testifies to increasing trend of providers not accepting Medicaid because it is financially unsustainable; has 79 employees.

Testimony provided on behalf of LTC, Aging, Disabilities, Home Care & Hospice:

Southwestern Connecticut Agency on Aging, CEO, Marie Allen: supports this bill to ensure a data-driven strategy behind the increases in Medicaid reimbursement in the state. These evidence-based increases can empower medical professionals to meet the needs of vulnerable residents.

America Elderly Services LLC, Ileana Espinar: supports this bill to ensure home care agencies can provide the health care needed for older adults and disabled individuals in Connecticut.

LeadingAge Connecticut, President, Mag Morelli

Masters in Home Care LLC, President and CEO, Christopher Pankratz
Home Care LLC, PCA, Wendy Espinar

Day Kimball Health at Home, Hospice Program Manager, Kim Durand: supports this bill to avoid losing the health care workers that comprise Connecticut's health care system, especially those working in hospice care.

Aveanna Healthcare, Patrick Cunningham: supports this bill to invest in the health care access and services for Connecticut residents, especially the care provided by nurses. It is critical to include Continuous Skilled Nursing reimbursement rate increases along with the other medical professionals.

Project Genesis Inc., CEO, Kathy Rathen: supports this bill to help individuals with acquired brain injuries receive high quality care through Medicaid.

Connecticut Association for Healthcare at Home, President and CEO, Tracy Wodatch: supports this bill and recommends accelerating the timeline of the rate increases, making sure all aspects of home health (such as medication administration) are included in the rate increases, and eliminating the home health subsequent visit rate penalty.

Hartford Elderly Services LLC, Owner, Jonathan Espinar

Able2Care, Owner, Scott Fortunato

Kenny Homemaker and Companion, Manager, Alex Laborde

SONI Homecare LLC, Inez Melendez

Homewatch CareGivers of Windsor, President, Lori Mgrdichian

RVNAhealth (visiting nurses), Laura Cordeira, MPH

Elara Caring, Daniela Cappetta; supports this bill to ensure young people requiring specialized nursing care have access to the care they need by reimbursing nurses through Medicaid fairly; nurses provide wrap-around interventions and support services to patients with complex BH needs that is billed under "medication administration," which leads to undervaluing the significant impact of these highly skilled providers.

Elara Caring, VP of Behavioral Health, Bree Sanca, RN, BSN; testified on behalf of the largest provider of behavioral home health services in CT.

Testimony provided on behalf of Hospitals:

Connecticut Hospital Association, Anonymous; supports this bill and recommends addressing of Medicaid underpayment for hospital inpatient and outpatient services to better empower hospital providers and the care they provide.

Hospital for Special Care, President and CEO, Lynn Ricci; Hospital for Special Care (HFSC) is the fourth largest, free-standing long-term acute care hospital in the US, providing advanced care and rehabilitation for such conditions as brain injury, neuromuscular, spinal cord injury, as well as comprehensive inpatient and outpatient treatment for children and adolescents with ASD. The Partial Hospitalization Program for children & adolescents with ASD participate in this program for half of the day while attending school for the other half; it has grown from 5 spots in 2020 to 15 in 2025. The cost effectiveness of the program is more than double the current reimbursement rates. Reimbursement rates must be addressed.

Stamford Health, President and CEO, Kathleen Silard

Bristol Hospital Inc., President and CEO, Kurt Barwis; supports this bill and encourages a comprehensive approach to strengthen the health care system in Connecticut, including addressing hospital underpayment by Medicaid, creating multi-sector partnerships, and founding a regional investment and accountability model.

Middlesex Health, President & CEO, Vincent Capece

Nuvance Health, CFO, Daniel DeBarba

Yale New Haven Health System, Senior Government Relations Officer, Ann Hogan

Trinity Health of New England, VP Government Relations, Dan Keenan

Gaylord Specialty Healthcare, Legislative Liaison, Kevin Johnson; supports this bill to make sure that Medicaid reimbursements are sustainable payment options for Long-Term Acute Care Hospitals, guaranteeing their viability long-term for patients and communities.

Testimony provided on behalf of Physicians and Physician Groups:

Connecticut State Medical Society, Anonymous; supports this bill and added three considerations. First, they want to ensure all medical professional specialties and subspecialties will see rate increases, not just the specialties identified in the study. Second, they would like to see increases completed more quickly, though they are cognizant of why the three-year time is needed. Finally, they want to emphasize that no service should see a rate reduction.

Connecticut Society of Pathologists, President, Jonathan Earle; supports this bill to provide needed compensation for pathology and laboratory services as well as other physician services after the increased costs post-COVID 19 pandemic.

Radiological Society of CT, Past President, Thomas Farquhar; supports this bill to support radiologists and radiology practices in Connecticut.

Connecticut State Society of Anesthesiologists, Past President, John Satterfield;

supports this bill to make sure that Connecticut anesthesiologists are fairly compensated through Medicaid for their services.

Connecticut College of Emergency Physicians (CCEP), Gregory Shangold; supports this bill as it would support emergency departments in Connecticut and make sure that they continue to provide safety net care for Connecticut's residents.

CCEP, Brian Steiner; supports this bill but recommends accounting for all specialties in rate increases, using ongoing rate reviews based on medical inflation, and protecting the specialty codes with reimbursement rates greater than the 75-80% benchmark set by the Medicare Physician Fee Schedule.

Star Medical Care, Physician, Hafsa Nawaz; supports this bill but recommends the inclusion of specialties and subspecialties not listed in the study and reviewing rates based on medical inflation instead of the Medicare Physician Fee Schedule.

Family Physician, Nicole Jackson, MD; supports this bill to ensure that specialists, like dermatologists, orthopedic surgeons, and rheumatologists, can accept Medicaid patients due to increased reimbursement rates and ensure care for patients in Connecticut. Discusses the challenge of finding specialist care for her patients.

Psychiatrist, Sarah Riley, MD; supports appropriate reimbursement for BH interventions.

Testimony provided on behalf of Eyecare Professionals:

Enfield Eyecare Associates LLP, Optometrist and Co-Owner, Christopher Agro;

supports this bill to ensure fair reimbursement for optometrists given the rising costs of optometry care and services.

Connecticut Association of Optometrists, Optometrist, Brian Lynch

Connecticut Association of Optometrists, Past President, Laura Dake Roche

Testimony provided on behalf of Community Health Centers, FQHC & nonprofits:

CT Institute for Communities, CEO, Katie Curran; supports this bill as it focuses on the needs of FQHCs and looks to increase their reimbursement rate as well. Connecticut reimbursement rates are behind the five states included in the rate study, showing the need to increase the rates. The language to fix the scope rate requests are also appreciated as the current system is not clear and has led to many requests being denied by DSS. Finally, they request clearer language in Section 3 to change the implementation date for the Medicare Economic Index adjustment to be in January rather than October, which would have a one-time cost of around \$10 million.

Optimus Health Care, CEO, Karen Daley

Community Health Center Association of Connecticut (CHC ACT), Chief Strategy Officer, Deb Polun

First Choice Health Centers Inc., CEO, Jeffrey Steele

Connecticut Voices for Children, Intern, Rei Marshall; supports this bill to ensure vulnerable residents and children in Connecticut can access the care they need in FQHCs. The bill can also improve health outcomes and care delivery in the state, as well as allowing DSS to explore Alternative Payment Models (APMs).

[Fair Haven Community Health Care, Chief Corporate Compliance Officer, Manan Dave, Pharm.D, MS](#); supports this bill to sustain the care provided by Fair Haven Community Health Care to their vulnerable population and avoid losses in access to care.
[Fair Haven Community Health Care, Senior Director of Operations, Gilda DiScala](#)
[Fair Haven Community Health Care, Director of Business Development, Veena Kapadia](#)
[Fair Haven Community Health Care, Physician, Mellisa Pensa](#)
[Fair Haven Community Health Care, CEO, Suzanne Lagarde](#)
[Fair Haven Community Health, Dentist, Kathryn Delfs](#)
[Fair Haven Community Health Care, Dental Director, Iniva Ngaka](#)
[Fair Haven Community Health Care, Staff Psychiatrist, Barbara Orrok](#)
[Community Health Center Inc. CEO and President, Mark Masselli](#)
[Community Health Center Inc., VP Eastern Region, Yvette Highsmith](#)
[Community Health Resources Inc., President and CEO, Heather Gates](#)
[Connecticut Community Nonprofit Alliance, Director of Government Relations, Ben Shaiken](#); supports this bill to make sure that non-profit behavioral health providers in Connecticut see their Medicaid reimbursement rates increase as stated in the rate study.
[Generations Family Health Center, CEO, Melissa Meyers](#)

Testimony provided on behalf of School-Based Care:

[CASBHC, Executive Director, Melanie Lane](#)
[Community Health & Wellness Center, COO, Gina Burrows](#); supports this bill to improve the sustainability of school-based health centers.
[Community Health Resources, Service Director, Caitlyn Ogilvie](#); supports this bill to ensure that children on Medicaid can continue to access Enhance Care Clinics, especially in rural areas of the state.
[Connecticut Cradle to Career Coalition, Policy Civic Engagement Director, Kathleen Callahan](#)
[Child and Family Agency of SECT, Program Manager of Medical Services, Jessica Chan](#)
[Connecticut Association for SBHC, Heather Dawson](#)

Testimony provided on behalf of Durable Medical Equipment/Home Medical Equipment Providers:

[Home Medical Equipment and Services Association of New England, Executive Director, Lauryn Estrella](#)
[Acelleron Medical Products, Managing Director, Jason Canzano](#); supports this bill as the current methodology behind Medicaid reimbursement is not adequately accounting for the inflation seen after the pandemic, posing danger to health care systems and businesses.
[Stephen Alessi](#)
[VGM, Operations Manager, Emily Harken](#)

Testimony provided on behalf of Reproductive Healthcare Providers:

[**Connecticut Citizen Action Group, Associate Director, Liz Dupont-Diehl**](#); supports this bill to ensure access to family planning in Connecticut will not decrease in light of federal attacks on reproductive health care.

[**Reproductive Equity Now, Connecticut State Director, Liz Gustafson**](#); supports this bill to ensure fair compensation to sexual and reproductive health care providers in Connecticut while shielding access to care, such as abortion services. Abortion reimbursement rates have not been adjusted since 2008, marking a need for an increase.

[**She Leads Justice, Policy Director, Tonishia Signore**](#)

[**Planned Parenthood Southern New England, President and CEO, Amanda Skinner**](#)

[**Amy Wade**](#); supports this bill as accessing Medicaid providers is essential for low-income, people of color, under or uninsured, medically underserved, young, and LGBTQ+ people to maintain control of their health and health care.

[**Heather Battaly**](#)

[**Erin Livensparger**](#)

[**Laura Minor**](#)

[**League of Women Voters Connecticut, VP Advocacy, Ann Reed**](#)

Testimony provided on behalf of Dental Health Providers:

[**Connecticut State Dental Association \(CSDA\), David Fenton**](#); supports this bill and recommends utilizing the FairHealth database to ensure reimbursement rates are based on the actual pay of dental providers rather than what other states pay. The general dental Medicaid program is failing to meet the oral health needs of recipients, resulting in their needing surgical intervention at a much greater cost to Medicaid.

[**Brooker Memorial, Executive Director, Christina Emery**](#); supports this bill to continue providing pediatric dental care to low-income children in northwest Connecticut. Providing pediatric dental care alleviates future dental issues and emergency room visits, reducing the strain on the health care system. Legislators should include nonprofit safety-net providers to continue providing care to at-risk populations.

[**CSDA, David Fried**](#)

[**CSDA, Executive Director, Kathlene Gerrity**](#); see comments regarding the effect of tariffs on imported dental supplies.

[**CSDA, Steve Hall**](#)

[**CSDA, Adam Kennedy**](#)

[**CSDA, Allen Hindin**](#)

[**COHI, Policy and Advocacy Director, Sandra Molina**](#)

Testimony provided on behalf of Chiropractic Care Providers:

[**Connecticut Chiropractic Council, President, Jason Sousa**](#); supports this bill to recognize the value and equitably reimburse the care provided by Medicaid chiropractors.

[**Connecticut Chiropractic Association, Physician, Francis Vesce**](#)

[**Essential Health, Chiropractor, Allie Mendelson**](#); supports this bill based on her experience accepting reimbursements from Husky. Current reimbursements are not

sustainable methods for doctors and do not provide care for low-income residents, therefore signaling a need to increase the rates.

Connecticut Podiatric Medical Association, President, Adam Mucinskas

Testimony provided on behalf of additional groups and individuals:

Connecticut Society of Acupuncturists, Board Member at Large, Joe Pandolfo; supports this bill to ensure acupuncturists are also fairly reimbursed through Medicaid.

Root Center for Advanced Recovery, President and CEO, Steven Zuckerman; supports this bill and urge legislators to include chemical maintenance providers, such as those who aid in methadone maintenance treatment, to be accounted in the rate increases.

Connecticut Association of Behavior Analysts, Public Policy Chair, Arlene Kaye; supports this bill to equitably increase reimbursement rates for behavior analysts. They also recommend the creation of a Caregiver Guidance Code in the state codes for Medicaid as well as revising the state codes from provisional to permanent.

Association of Connecticut Ambulance Providers, President, Gregory Allard; supports this bill to support emergency medical services organizations from reducing services or closing due to high costs and lack of adequate Medicaid reimbursement.

Stamford Department of Health and Human Services, Director, Jody Bishop-Pullan, RDH, BS, MPH; expressed the urgent need to increase reimbursement to improve availability of providers for referrals of PH clients needing Primary or Specialty care.

Donna Grossman; personal story of the challenges seeking care.

NATURE AND SOURCES OF GENERAL COMMENTS WITH RECOMMENDATIONS:

Analytix Solutions, Vice President of Healthcare, Jason Morin; commented on this bill and recommended incorporating provisions from SB 162 to strengthen the bill. The provisions included aligning Medicaid durable medical equipment (DME) rates with 100% of the corresponding non-rural Medicare rates, provide an annual increase in rates reflecting Consumer Price Index changes, implementing a one-time rate increase for DME items covered by Medicaid but not Medicare, and establishing appropriate reimbursement rates for DME items without set Medicare or Medicaid pricing.

Connecticut Healthcare Association Collaborative, Matthew Barrett; supports this bill and provides suggested language focusing on establishing a state-level approval process to implement federal Medicaid policy in case concerning changes at the federal level were adopted.

Connecticut Children's, President and CEO, Jim Shmerling; commented on this bill, noting that the language in Section 1 should be amended to refer to cost ratio parity rather than rate parity as factors of hospital care largely differ from clinic care, contributing to higher

costs. Additionally, the rate study does not consider how pediatric hospital providers receive payment. Therefore, the findings may not be as applicable to pediatric hospitals.

[Connecticut Pharmacists Association, CEO, Nathan Tinker](#); commented on this bill and requested an amendment for pharmacists to be reimbursed for clinical services they are allowed to provide, not just medications.

[Hartford HealthCare, Melissa Riley](#); supports the bill and recommends that hospital underpayment be addressed through a more comprehensive approach to ensure the state's Medicaid program best meets the needs of Connecticut's residents and communities, specifically to 1) Address Medicaid hospital underpayment, 2) Engage multi-sector partnerships, and, 3) Create a regional investment and accountability model.

NATURE AND SOURCES OF OPPOSITION:

The following individuals have submitted written testimony opposing this bill.

[Gaviota Delmar](#)

[Yummy Mummy Breast Pumps, VP of Market Growth, Dave Moran](#); expresses concern about lack of increases for DME.

Reported by: Nimisha Srikanth

Date: 4/10/2025