

Appropriations Budget Hearing Follow-Up Questions

1. Please detail proposed Medicaid rate increases by provider group (\$10.4 million in FY 26 and \$25 million in FY 27).

We are looking to prioritize physician, physician specialty, adult behavioral health, child behavioral health and FQHCs, with a roughly proportionate distribution across these areas. We are also working with the FQHCs on a more holistic approach, ensuring that any additional investments will result in moving to an alternate payment methodology while removing volume/scope/arbitration language in an effort to establish more predictability and a more equitable distribution of dollars to FQHCs.

2. Please clarify the purpose of the Birth to Three increase (*ex. increases rates to support providers and may maintain access but does not expand eligibility*).

To address best practices in early intervention service delivery and support the recruitment and retention of qualified staff, the Governor is recommending state share funding of \$4.5 million in FY 2027 (\$9.0 million after factoring in the federal share) to increase Medicaid rates for early intervention treatment services using a new tiered rate system. These rate increases align with the changes being made under the Office of Early Childhood. The increase will support providers and maintain access but does not expand eligibility. If additional details or discussions are needed, we will need to loop in the Office of Early Childhood.

3. Please list Medicaid rates related to medication administration.

Home Health Medication Administration Rates

Code	Modifier	Code Description	Rate	Eff date
T1502		Administration of oral, intramuscular and/or subcutaneous medication by a health care agency/professional, per visit	\$53.78	7/1/2021
T1502	TT	Administration of oral, intramuscular and/or subcutaneous medication by a health care agency/professional, per visit, more than one patient in same setting per visit	26.89	7/1/2021
T1503		Administration of medication other than oral and/or injectable, by a health care agency/professional, per visit	53.78	7/1/2021

T1503	TT	Administration of medication other than oral and/or injectable, by a health care agency/professional, per visit, more than one patient in the same setting	26.89	7/1/2021
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4. How much is budgeted for Urgent Crisis Centers? Please share Medicaid rates.

The funding for Children's Urgent Crisis Centers is included in the baseline Medicaid budget under the Clinic services line – \$5.8 million in SFY 2025, with annualized funding of \$7.7 million in SFY 2026, and SFY 2027.

The fee schedule can be found here, [Provider Fee Schedule Download](#), under "Clinic - Clinic and Outpatient Hospital Behavioral Health."

5. Please provide FPL income eligibility table by HUSKY group and specific services (e.g., family planning).

<https://portal.ct.gov/-/media/hh/pdf/husky-health-annual-income-chart-march-1-2025.pdf>

<https://portal.ct.gov/dss/-/media/departments-and-agencies/dss/fact-sheets-and-issue-briefs/fact-sheets/dss-program-standards-chart-effective-030125.pdf>

<https://portal.ct.gov/husky/how-to-qualify>

<https://cga.ct.gov/2024/rpt/pdf/2024-R-0174.pdf>

HUSKY A (Medicaid):

- **Children (up to age 18):** Household income up to 201% FPL.
- **Parents/Caretaker Relatives:** Household income up to 138% FPL.
- **Pregnant Women:** Household income up to 263% FPL. Eligibility extends through pregnancy and up to 12 months postpartum.

HUSKY B (Children's Health Insurance Program - CHIP):

- **Band 1:** Household income over 201% FPL up to 254% FPL. No monthly premiums; some co-payments apply.
- **Band 2:** Household income over 254% FPL up to 323% FPL. Monthly premium of \$30 for one child; \$50 for more than one child; some co-payments apply.

HUSKY C (Medicaid for the Aged, Blind, and Disabled):

- **Income Limits:** HUSKY C medically needy income limit (including unearned income disregard) is \$1,370 per month for an individual and \$2,198 per month for a married couple.
- **Asset Limits:** \$1,600 for a single person; \$2,400 for a married couple.

NOTE: HUSKY C income and asset limits can vary for different types of coverage under HUSKY C, such as MED-Connect, home and community-based services (HCBS) waiver programs, and other types of HUSKY C coverage. See the links above for details on various eligibility thresholds for HUSKY C coverage.

HUSKY D (Medicaid for Low-Income Adults):

- **Adults (ages 19-64):** Household income up to 138% FPL. Applicants must not be eligible for Medicare, not pregnant, and have no dependent children under 19 in the household.

6. Please provide major drivers of Medicaid deficiency (category and amount, include federal/state share if possible)

Medicaid Primary Cost Drivers		SFY 2025
Enrollment Mix		\$50,000,000
Prescription Drug Costs & Rebates*		90,000,000
Home Health, Home Care, and Waivers		75,000,000
Under-Funded Mandates		75,000,000
Total		\$290,000,000
*Higher prescription costs and lower rebates		

7. Please detail total spend on undocumented populations (by group). Please include caseload levels.

In SFY 2024, State HUSKY A and State HUSKY B served approximately 15,000 children age 0-12 and had approximately \$20 million in expenditures. Numbers are approximate due to ongoing resolution of a system issue where some children eligible for Medicaid and CHIP were incorrectly bucketed under the State HUSKY program.

SFY 2024 (by Date of Payment)	State HUSKY A	State HUSKY B	HUSKY B Unborn Children¹	Postpartum Services³	Emergency Medicaid²
Enrollees as of June 2024	14,123	300	2,303	3,125	n/a
Total Member Months	122,888	2,738	24,976	25,191	n/a
Total Paid⁴	\$22,681,989	\$820,416	\$12,111,175	\$6,568,426	\$54,995,069
Federal Share	\$0	\$0	\$7,872,264	\$0	\$27,497,534
State Share⁵	\$22,681,989	\$820,416	\$4,238,911	\$6,568,426	\$27,497,534

NOTES:

1. HUSKY B Unborn Child coverage provides prenatal coverage under CHIP; costs do not include deliveries covered under Emergency Medicaid.
2. As required by federal law, Emergency Medicaid costs include labor and delivery services. Emergency Medicaid also includes labor and delivery services provided to individuals covered through the HUSKY B Unborn Child coverage group, as well as all other qualifying emergency services.
3. Amounts for postpartum are shown by date of service. (Reporting has been modified to allow future reporting for this eligibility group to be by date of payment.)
4. Totals shown by date of payment. Because this is a payment-driven report, it includes \$13.2 million in prior period (i.e., 4/1/2022 - 8/31/2023) claims reprocessed for births previously categorized under the Unborn Children coverage group and recategorized under Emergency Medicaid.
5. Amounts shown for State HUSKY A and State HUSKY B reflect expenditures prior to any adjustments related to the systems issues noted above; actual expenditures will be lower.

8. Please provide Medicaid current services cost and caseload update detail (growth in LTSS). Does this include increased state share to offset potential reductions in FMAP?

State Fiscal Year	LTSS* Gross Expenditures	Percent Change	LTC** Gross Expenditures	Percent Change	Total Gross Expenditures	Average Caseload
2022	\$1,021,200,000	8.7%	\$1,324,000,000	12.9%	\$2,345,200,000	39,420
2023	\$1,107,700,000	8.5%	\$1,437,900,000	8.6%	\$2,545,600,000	40,292
2024	\$1,181,500,000	6.7%	\$1,484,900,000	3.3%	\$2,666,400,000	41,167
2025	\$1,414,000,000	19.7%	\$1,598,900,000	7.7%	\$3,012,900,000	42,069
2026	\$1,504,000,000	6.4%	\$1,657,200,000	3.6%	\$3,161,200,000	42,991
2027	\$1,601,100,000	6.5%	\$1,702,600,000	2.7%	\$3,303,700,000	43,934

* LTSS (long-term services and supports) includes home health, home and community-based services waivers, and Community First Choice

** LTC (long-term care) includes nursing homes, intermediate care facilities, chronic disease hospital, and hospice long-term care services

The estimates above do not assume an increased state share due to potential reductions in the state's FMAP.

9. Please share the most recent Medicaid Quarterly report (QE 12/31/24?).

The attachments below were distributed on 2/27/25:



10. For DSS managed waivers, please share wait list numbers by waiver group.

PCA Waiver – 1,151
 ABI II Waiver – 75
 Katie Beckett Waiver – 331
 Autism Waiver – 2,030

11. Please provide an overview of Covered CT (caseload, per member per month cost (PMPM), estimated total spend FY 25 and proposed FY 26 and FY 27, major federal considerations).

	SFY 2025	SFY 2026	SFY 2027
Total Enrollees (Average)	40,740	56,960	66,450
Estimated Costs			
Total	\$58,800,000	\$95,300,000	\$129,900,000
State	\$29,400,000	\$47,700,000	\$65,000,000
Overall PMPM	\$120	\$140	\$163

The Governor’s budget assumes enhanced federal subsidies for individuals obtaining coverage through the state-based marketplace (Access Health CT), including Covered CT, will be extended by Congress. Absent Congressional action to extend those subsidies, they will expire on December 31, 2025. If these enhanced subsidies expire, out-of-pocket costs for consumers would increase, which in turn would increase the costs of the Covered CT program because the program design, as approved by CMS, currently requires that the state cover such out-of-pockets costs.

12. Please detail estimated costs for weight loss medications (include assumptions re: length of time on drug, offsetting health savings, rebates, etc).



13. Please detail MED-Connect estimate, including any offsetting premiums paid by higher income clients.

The expansion of MED-Connect under PA 24-81 is projected to increase program enrollment by approximately 2,500 individuals at a gross cost of \$16.6 million (\$8.3 million state share)

when fully annualized in SFY 2030. This assumes a monthly cost/case of \$650, with a premium offset of \$90, resulting in a PMPM of \$560. Given the significant costs over time, the Governor is proposing that the income and asset limits not be adjusted beyond the increases slated to occur on April 1, 2025, which will result in savings of \$2.1 million in FY 2027 (\$1.0 million state share).

14. Please detail all programs with federal match- include state and federal share.

- 60% Federal / 40% State - Medicaid Program Costs (overall average)
- 50% Federal / 50% State - Medicaid Administrative Costs
- 75% Federal / 25% State – Medicaid Systems and Eligibility (staff and contracts), and New IT System Operational Costs
- 68% to 90% Federal / 32% to 10% State - IT Systems Development
- 50% Federal / 50% State - SNAP Administrative Support
- 100% Federal / 0% State – SNAP Benefits
- 66% Federal / 34% State - Child Support
- 65% Federal / 35% State - CHIP (HUSKY B)
- 100% Federal / 0% State - TANF Programs and Administration
- 93% Federal / 7% State – MFP Administrative Costs (overall average)
- 75% Federal / 25% State – MFP Program Costs

Note: Where noted as overall averages, the actual federal medical assistance percentage (FMAP) varies depending on the specific component.

15. Please provide historical statutorily required inflationary adjustments (5 years of proposed amount and actual appropriation)

	Removed			Implemented			
	Inflation	NH	ICF-IID	NH		ICF	
SFY 2020	2.0%	\$ 14,420,000	\$ 790,000	\$ 11,000,000	multiple temporary rate increases	\$ -	
SFY 2021	2.0%	\$ 14,869,091	\$ 828,182	\$ 18,500,000	continue rate increases	\$ -	
SFY 2022	2.4%	\$ 11,100,000	\$ 700,000	\$ 29,300,000	4.5% & temp 10%	\$ 1,600,000	4.5% & ICF min \$501
SFY 2023	2.5%	\$ 12,190,909	\$ 736,364	\$ 34,536,364	multiple rate increases & acuity rates Phase 1	\$ 10,000,000	+4.5% & ICF min \$501 & \$5.6M supp
SFY 2024	2.6%	\$ 35,900,000	\$ 1,900,000	\$ 17,160,000	NH Acuity rates Phase 2	\$ 1,900,000	Rebase ICFs
SFY 2025	2.7%	\$ 21,336,364	\$ 1,127,273	\$ 14,120,000	NH Acuity rates Phase 3	\$ 2,100,000	continue rebased rates

Prior to SFY 2023, inflation for nursing homes was historically eliminated in the budget. Inflation was applied for the three-year phase in for the acuity system starting in SFY23 to bring the rebase year of 2019 to current costs during the phase in of acuity. 16% inflation was recognized for the inflation adjustment during the acuity phase in and ended when the phase in was complete on July 1, 2024.

ICF rates have been frozen from SFY 2015 through SFY 2021, with the exception of the COVID increase in SFY 2020. In SFYs 2022 and 2023, ICFs received wage and benefit rate increases of 4.5% in each year and in SFY 2024 started a three-year rebase using submitted cost reports with a statutory minimum per diem rate of \$501 per day through SFY 2025. SFY 2026 is the last rebase year with costs based on the 2024 cost report filings and no minimum per diem rate.

16. Please detail TFA current services growth assumptions.

Below are the expenditure adjustments made for TFA in SFY 2026 and SFY 2027. Average caseload for SFY 2024 was 6,710 and is projected to be 7,110 in SFY 2025. The Governor's budget projected the average caseload to be 7,550 in SFY 2026 and 8,000 in SFY 2027.

\$69,641,000	FY 2025 Appropriation
(6,300,000)	Base Adjustment - FY 25 (Lapse)
500,000	Standards Increase
2,300,000	Caseload Adjustment
3,300,000	Annualization - Other Caseload / Cost Adjustments
\$69,400,000	<i>FY 2026 Recommended</i>
\$69,641,000	FY 2025 Appropriation
(6,300,000)	Base Adjustment - FY 25 (Lapse)
2,300,000	Standards Increase
6,700,000	Caseload Adjustment
3,059,000	Annualization - Other Caseload / Cost Adjustments
\$75,400,000	<i>FY 2027 Recommended</i>

17. Please detail the number of individuals who received the DV benefit under SAGA as well as total cost by year for those benefits.

Below are the numbers of individuals who received the one-time domestic violence benefit under SAGA and the associated costs. It should be noted that the enacted budgets for SFY 2023 through SFY 2025 did not include any funding to support this benefit.

- 489 individuals received the DV benefit in SFY 2023, at a total state cost of \$950,000.
- 1,451 individuals received the DV benefit in SFY 2024, at a total state cost of \$2.9 million.
- As of February 25, 2025, 1,477 individuals have received the DV benefit in SFY 2025, at a total state cost of \$2.7 million. Costs in SFY 2025 are projected to exceed \$4.0 million.

18. Please detail Community Services and HSI funding by contract: FY 24 actual, FY 25 estimated, FY 26 + FY 27 proposed. Please include any reasons for reductions.

	<u>SFY 2023</u>	<u>SFY 2024</u>	<u>SFY 2025</u>	<u>SFY 2026</u>	<u>SFY 2027</u>
<u>Community Services *</u>					
<u>Person to Person</u>	<u>309,932.00</u>	<u>900,135.00</u>	<u>835,030.00</u>	<u>335,030.00</u>	<u>335,030.00</u>
<u>Catholic Charities of New Haven **</u>	<u>\$ -</u>	<u>88,137.58</u>	<u>451,862.42</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Spanish Community of Wallingford</u>	<u>\$ -</u>	<u>150,000.00</u>	<u>150,000.00</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Roca</u>	<u>\$ -</u>	<u>500,000.00</u>	<u>1,000,000.00</u>	<u>500,000.00</u>	<u>500,000.00</u>
<u>IRIS</u>	<u>523,105.00</u>	<u>831,699.00</u>	<u>823,365.34</u>	<u>333,333.34</u>	<u>333,333.34</u>
<u>CIRI</u>	<u>276,895.00</u>	<u>542,270.00</u>	<u>533,937.33</u>	<u>333,333.33</u>	<u>333,333.33</u>
<u>JFS</u>	<u>200,000.00</u>	<u>601,030.00</u>	<u>592,697.33</u>	<u>333,333.33</u>	<u>333,333.33</u>
<u>JFACT</u>	<u>152,000.00</u>	<u>186,991.00</u>	<u>212,147.00</u>	<u>162,147.00</u>	<u>162,147.00</u>
<u>Other Contracts</u>	<u>3,375,739.00</u>	<u>4,121,500.42</u>	<u>4,490,984.58</u>	<u>2,040,985.00</u>	<u>2,040,985.00</u>
<u>Total</u>	<u>4,837,671.00</u>	<u>7,921,763.00</u>	<u>9,090,024.00</u>	<u>4,038,162.00</u>	<u>4,038,162.00</u>
<u>Human Services Infrastructure (HSI)</u>					
<u>Fatherhood Initiative</u>	<u>310,498.00</u>	<u>380,002.00</u>	<u>380,002.00</u>	<u>310,498.00</u>	<u>310,498.00</u>
<u>Other Contracts</u>	<u>3,658,928.00</u>	<u>3,909,763.00</u>	<u>3,894,238.00</u>	<u>3,894,238.00</u>	<u>3,894,238.00</u>
<u>Total</u>	<u>3,969,426.00</u>	<u>4,289,765.00</u>	<u>4,274,240.00</u>	<u>4,204,736.00</u>	<u>4,204,736.00</u>

* Does not reflect the holdback of \$500,000 in SFY 2025; allocation to be determined.

** SFY 2025 amount reflects carryforward of \$181,862.42 from SFY 2024.

The Governor's budget eliminates the new funding that was added beginning in FY 2024 for the following non-entitlement grants:

- Person to Person – \$500,000
- Catholic Charities of New Haven – \$270,000
- Spanish Community of Wallingford – \$150,000
- Fatherhood Initiative – \$69,504.

These reductions result in total savings of \$989,504 in both SFY 2026 and SFY 2027.

The Governor's budget also removes the additional \$1.0 million that was added in the enacted budget for migrant support beginning in SFY 2024. The additional \$1.0 million in funding doubled the amount already available under the Community Services account. The recipients of this funding include Connecticut Institute for Refugees and Immigrants (CIRI), Integrated Refugee & Immigrant Services (IRIS), and Jewish Family Services of Greenwich (JFS). These resettlement agencies also received ARPA funding totaling \$1.0 million in FY

2025, in addition to other direct and pass-through federal funds. The additional state and ARPA funds were largely provided to support concerns over the potential arrival of new refugees being transported to Connecticut en masse. Because this did not happen, the ARPA funding was reduced from the original allocation of \$3.2 million to \$1.0 million. Given the change in the federal administration and the new administration's focus on immigration, the Governor's budget anticipates fewer refugees seeking assistance and returns the state appropriation to the previous level of \$1.0 million for migrant support in both SFY 2026 and SFY 2027.

In addition, the enacted budget added \$500,000 in SFY 2024 and \$1.0 million in SFY 2025 for Roca's program in Hartford. By proposing a reduction of \$500,000 from the SFY 2025 funding levels, the Governor's budget will allow Roca to maintain funding of \$500,000 in SFY 2026 and SFY 2027.

19. Please detail funding for Hispanic programs (historical funding and proposed budget).

	Actual FY 2024	Estimated FY 2025	Gov Rec FY 2026	Gov Rec FY 2027
Human Resource Development - Hispanic Programs	\$1,225,409	\$1,070,348	\$1,070,348	\$1,070,348

20. Please share income/asset eligibility requirements for state-funded CHCP as well as caseload levels. What is the value of the average copay per client and how is that changed under the budget proposal?

There is no gross income limit for state-funded CHCPE. However, all participants with income in excess of 200% FPL (currently \$2,610), are required to contribute toward their cost of care. This income-based contribution is called patient liability and is in addition to the statutory cost share. The current asset limits are \$47,376 for a non-married individual, and \$63,168 for a married individual. There are 1,869 state-funded participants who are at nursing home level of care.

The required cost share has varied over the years—in SFY 2016, it was increased from 7% to 9%, but was reduced to 4.5% in SFY 2022, and then further reduced to 3% in SFY 2023. The current statutory cost share amount is 3%. The current value of the average cost sharing payment per consumer is \$68, based on an average monthly cost per state-funded consumer of \$2,279 for calendar year 2024. The change in the proposed budget increasing the cost share to 5% would result in an increase in the average cost share payment of approximately \$46, to a total of \$114. These are, however, averages—for those individuals with higher costing care plans, their cost share would be capped at \$175 per month. This change will encourage those with higher needs to take advantage of additional help without incurring

more costs while also achieving modest costs savings to the state of \$400,000 in SFY 2026 and \$500,000 in SFY 2027.

Further information on income and asset limits can be found here: [CT Home Care for Elders](#).

21. Re: page 9 of testimony ppt, please provide three years of staffing costs, non-staff operating expenses, and administrative cost ratio.

	SFY 2022	SFY 2023	SFY 2024
Personal Services (Staffing)	\$129,300,000	\$150,200,000	\$150,900,000
Other Expenses	145,100,000	170,700,000	170,200,000
Administrative Cost Ratio	2.9%	3.0%	3.2%

22. Please detail OE by major category (*we have a breakout of major contracts under 'medical program support services' we will share*). Please include FY 25 estimated, FY 26 and FY 27 proposed \$.

DSS OE Breakout by Major Categories						
Account		Estimated FY2025	Current Services FY 2026	Current Services FY 2027	Recommended FY 2026	Recommended FY 2027
50700	Employee Expenses; Allowances; and Fees	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
50770	Employee Travel	\$151,500	\$151,500	\$151,500	\$151,500	\$151,500
51010	Professional; Scientific; & Technical Services	\$97,041,518	\$95,360,000	\$97,960,000	\$96,360,000	\$98,178,200
51500	Other Services	\$14,365,000	\$14,575,300	\$14,575,300	\$14,575,300	\$14,575,300
52500	Rental and Maintenance - Equipment	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
53000	Motor Vehicle/ Aircraft/Watercraft Costs	\$155,000	\$155,000	\$155,000	\$155,000	\$155,000
53311	Premises Rent Expense	\$1,210,000	\$1,210,000	\$1,210,000	\$1,210,000	\$1,210,000
53313	Premises Real Estate Taxes	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
53331	Electricity	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000
53334	Water	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
53338	Natural Gas	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
53361	Premises Alarm Systems	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000
53362	Premises Security Services	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000

53363	Premises Security Guards	\$3,100,000	\$3,100,000	\$3,100,000	\$3,100,000	\$3,100,000
53364	Premises Fire Protection	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
53380	Premises Cleaning Services	\$925,000	\$925,000	\$925,000	\$925,000	\$925,000
53401	Premises Repair/Maintenance Services	\$56,700	\$56,700	\$56,700	\$56,700	\$56,700
53402	Premises Repair/Maintenance Supplies	\$500	\$500	\$500	\$500	\$500
53403	Premises Grounds Maintenance	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
53404	Premises Pest Control	\$500	\$500	\$500	\$500	\$500
53405	Premises Property Management Services	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
53450	Premises Waste/Trash Services	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000
53700	Information Technology	\$34,850,000	\$37,789,000	\$37,789,000	\$7,135,000	\$7,135,000
53800	Communications and IT Supplies	\$1,625,000	\$1,625,000	\$1,625,000	\$-	\$-
54000	Purchased Commodities	\$174,000	\$174,000	\$174,000	\$174,000	\$174,000
55000	Fixed Charges	\$4,675,000	\$4,675,000	\$4,675,000	\$4,675,000	\$4,675,000
55400	Capital Outlays	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Total		\$161,732,218	\$163,200,000	\$165,800,000	\$131,921,000	\$133,739,200

Note: The Governor's budget transfers \$40.2 million in funding to support the maintenance and operations of IT systems and equipment (\$32.3 million) along with 65 positions (\$7.9 million) from DSS to the Bureau of Information Technology Solutions to complete the consolidation of information technology functions and staffing within DAS. This is the main reason for the change between the Current Services and Recommended amounts shown above (see accounts 53700 and 53800).

23. Please provide a call center update (similar to MAPOC)- include ARPA vs state funding, appointment levels, etc.

DSS publishes these dashboards with call center data monthly:

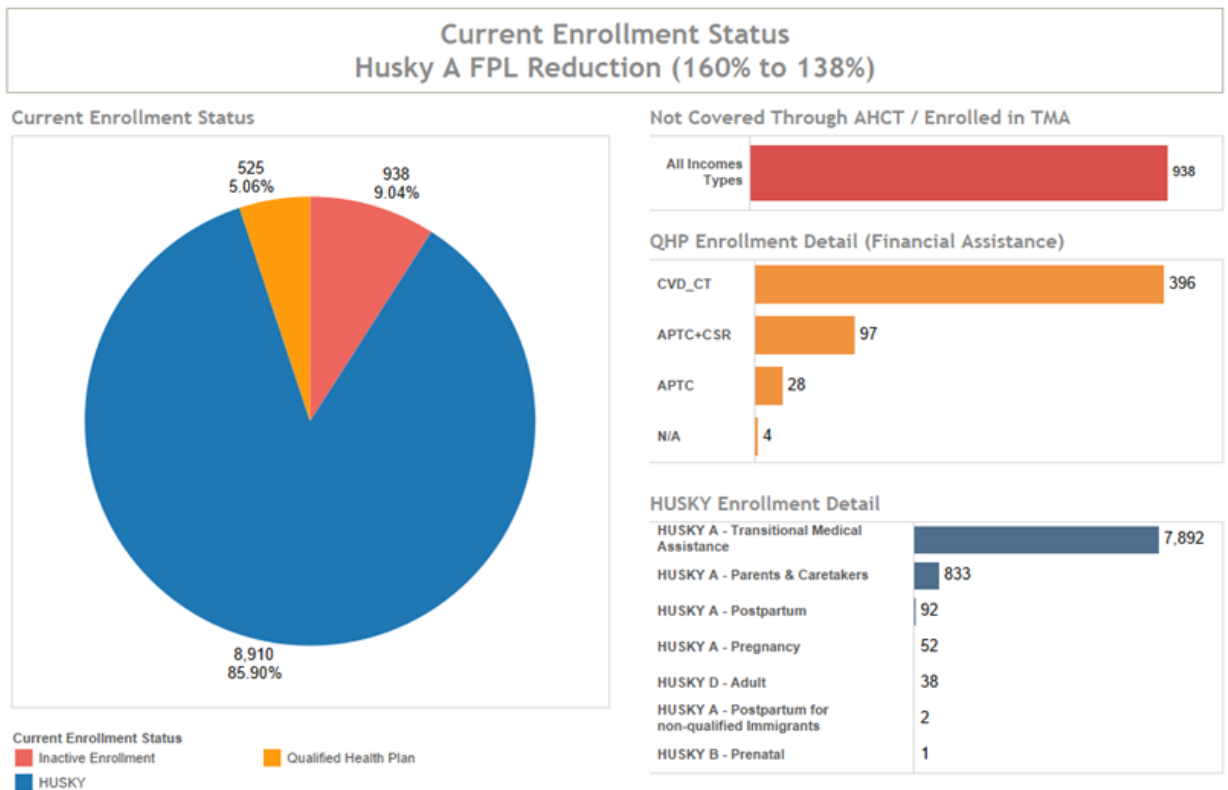
https://portal.ct.gov/dss/-/media/departments-and-agencies/dss/common-elements/husky-health-partners/january-monthly-dashboard_final.pdf

<https://portal.ct.gov/dss/-/media/dss-beta/pdf/kb/husky-health-program-performance-dashboard---december-2024---latest.pdf>

DSS Benefit Center staff are 100% state-funded, but costs may be claimed for federal reimbursement depending on the program.

24. For the recently limited HUSKY A adults, please detail # on TMA and # dropped/ immediately transitioned to Covered CT. What is the estimated impact if the state were to revert to original HUSKY A standards for this group?

Enrollment data as of February 24, 2025:



The Department is currently tracking 10,373 individuals who were enrolled in HUSKY A at the time of the reduction in the HUSKY A parent/caretaker income eligibility threshold from 160% FPL to 138% FPL. The PMPM cost for providing coverage to the HUSKY A adult population is approximately \$448 (data from Q1 and Q2 of SFY 2024). The estimated annual cost to revert to 160% FPL as the eligibility threshold is estimated at \$55.8 million (\$27.9 million state share). Such funding is not included in the Governor's budget. In contrast, the projected PMPM for Covered CT without enhanced subsidies is expected to be \$206. The annual cost for the 10,373 transitioning members if they were to be added to Covered CT without enhanced subsidies is \$25.6 million (\$12.8 million state share). This is less than half of the cost of adding members back to HUSKY A.

25. How can the state address concerns regarding federal limitations on telehealth under Medicare?

DSS does not have any control over Medicare policies. They are set at the federal level and, as such, concerns need to be directed to federal policymakers at CMS and/or Congress.

Current Medicare policies on telehealth:

- Medicare patients can receive telehealth services for non-behavioral/mental health care in their home through March 31, 2025.
- There are no geographic restrictions for originating site for Medicare non-behavioral/mental telehealth services through March 31, 2025.
- Telehealth services can be provided by all eligible Medicare providers through March 31, 2025.
- Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) can serve as Medicare distant site providers for non-behavioral/mental telehealth services through March 31, 2025.
- An in-person visit within six months of an initial Medicare behavioral/mental telehealth service, and annually thereafter, is not required through March 31, 2025. For FQHCs and RHCs, the in-person visit requirement for mental health services furnished via communication technology to beneficiaries in their homes is not required until January 1, 2026.
- Non-behavioral/mental telehealth services in Medicare can be delivered using audio-only communication platforms through March 31, 2025.

<https://telehealth.hhs.gov/providers/telehealth-policy/telehealth-policy-updates>

26. Please clarify the reference to the 1115 demonstration waiver for hospitals: What is included in the waiver?

The Governor is proposing to leverage federal dollars in FY 2027 by negotiating with the state's acute care hospitals to reduce costs under the state employee and non-Medicare retiree health plans in exchange for increased hospital supplemental payments under DSS. Building off of this initiative, which is only slated for FY 2027, the Governor's budget includes \$1.0 million to provide contractual support to explore additional opportunities to leverage federal dollars through the restructuring of hospital payments, including the potential development of an 1115 demonstration waiver in future years. The purpose of this funding is to engage experts to assist the Department in determining how best to do this and would include an examination of models from other states. Note that this is not intended to focus on adding broad new coverage of any service category (such as health-related social needs for housing and/or nutrition).

27. Given the uncertainty at the federal level, does the Medicaid budget include extra funding to address potential federal reductions?

No, the funding added in the Governor's budget for Medicaid reflects anticipated program requirements based on current costs and caseload and does not make any such adjustments. To the extent there are federal changes that will result in additional funding requirements or the need to restructure the Medicaid program, we will work with the administration and the legislature on any program redesign.