

DSS Legislative Updates

June 10th BHPOC Meeting

PA 26-68: *The Budget Bill*

Section 370 – Creates a **Medicaid Value-Based Payment Working Group** to collaboratively design, evaluate readiness for, and recommend scalable, voluntary, value-based payment models for the Medicaid population that advance quality, cost efficiency, access, health system sustainability and health equity across the health care delivery system.

The working group is to submit a report to the legislature detailing their recommendations by January 1, 2028.

Section 457 – Establishes a **safety net mitigation working group** to advise on, monitor, and coordinate the state's response to significant changes to federal law or policy that impact public health, social services, or other safety net programs.

The working group is to report to the legislature annually through 2029 regarding the impacts of federal policy changes on Medicaid and SNAP, specifically concerning work requirements, beneficiary retention, and program communications.

Public Act 26-146: AN ACT CONCERNING MEDICAID RATE INCREASES FOR CERTAIN PROVIDERS

Section 1 – Requires DSS to create a five-year process to review Medicaid provider reimbursement rates, repeating every 5 years. Specifically, the **Medicaid rate evaluation process**:

1. Provides a set schedule for regular rate review and adjustment of Medicaid rates paid to all Medicaid providers.
2. Formalizes a clear and transparent process for rate determination via public notice, presentation, and public comments on proposed rates or program changes.
3. Ensures review of relevant state and national data to inform rate amounts and payment models, with emphasis on models that promote high value services, member access and explores value-based reimbursement when appropriate.
4. Produces an annual report that includes DSS' recommendations on rate adjustments, any increase in compensation for Medicaid providers, and a description of the data and methodology used to reach such recommendations.

DSS will hold a public comment period, where oral and written comments can be submitted at a public hearing or MAPOC meeting.

The Department will submit a detailed report to the legislature containing recommendations on the level of appropriations required to increase compensation for Medicaid providers for health care services by January 15, 2028.

Please direct any additional questions to the following email address for the Office of Reimbursement & Certificate of Need:

- **con-ratesetting.dss@ct.gov**.

Public Act 26–74: *Regarding Nursing Home Bed Moratorium*

Sections 5 & 6 – Create an exception to the state’s nursing home bed moratorium, allowing DSS to approve additional Medicaid-certified beds in existing or new nursing homes under certain circumstances.

Due to the pandemic and rapid closures of homes, Connecticut has lost 12 nursing homes and 3,000+ beds since 2021. While statewide occupancy indicated stable average capacity, regional areas had risen significantly, exposing localized bed shortages.

To avoid vulnerable residents being forced into facilities far away from their families, this language will allow the Department to bypass the moratorium and add Medicaid-certified beds specifically in towns where they are needed most—Ensuring beds are placed within a 15-mile radius of need and keeping residents close to their support systems.

Public Act 26-72: AN ACT CONCERNING VARIOUS REVISIONS TO HUMAN SERVICES STATUTES

Section 16 – Requires DSS to study the feasibility of establishing an inpatient facility to provide psychiatric treatment services to children and young adults, ages 14 to 21, with intellectual or developmental disabilities.

Potential Study Framework:

- **Data Analysis** – Evaluate Medicaid data to determine prevalence and current service gaps
- **Best Practice Research** – Benchmark against other states (staffing, length of stay, and outcomes)
- **Needs Assessment** – Identify unique service and support requirements not currently met in existing facilities
- **Fiscal Viability** – Develop cost estimates and identify potential funding pathways
- **Interagency Collaboration** – Collaborate with DMHAS, DDS, and the Office of the Behavioral Health Advocate

DSS will report to the legislature on the results of the study by July 1, 2027.