



House of Representatives

General Assembly

File No. 526

February Session, 2000

House Bill No. 5248

House of Representatives, April 11, 2000

The Committee on Appropriations reported through REP. DYSON of the 94th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

An Act Increasing Home Care Fee Schedules.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-242 of the general statutes, as amended by
2 public act 99-130, is repealed and the following is substituted in lieu
3 thereof:

4 (a) The Department of Social Services shall determine the rates to be
5 paid to home health care agencies and homemaker-home health aide
6 agencies by the state or any town in the state for persons aided or
7 cared for by the state or any such town. For the period from February
8 1, 1991, to January 31, 1992, inclusive, payment for each service to the
9 state shall be based upon the rate for such service as determined by the
10 Office of Health Care Access, except that for those providers whose
11 Medicaid rates for the year ending January 31, 1991, exceed the median
12 rate, no increase shall be allowed. For those providers whose rates for
13 the year ending January 31, 1991, are below the median rate, increases
14 shall not exceed the lower of the prior rate increased by the most

15 recent annual increase in the consumer price index for urban
16 consumers or the median rate. In no case shall any such rate exceed the
17 eightieth percentile of rates in effect January 31, 1991, nor shall any rate
18 exceed the charge to the general public for similar services. Rates
19 effective February 1, 1992, shall be based upon rates as determined by
20 the Office of Health Care Access, except that increases shall not exceed
21 the prior year's rate increased by the most recent annual increase in the
22 consumer price index for urban consumers and rates effective
23 February 1, 1992, shall remain in effect through June 30, 1993. Rates
24 effective July 1, 1993, shall be based upon rates as determined by the
25 Office of Health Care Access pursuant to the provisions of subsection
26 (b) of section 19a-635, except if the Medicaid rates for any service for
27 the period ending June 30, 1993, exceed the median rate for such
28 service, the increase effective July 1, 1993, shall not exceed one per
29 cent. If the Medicaid rate for any service for the period ending June 30,
30 1993, is below the median rate, the increase effective July 1, 1993, shall
31 not exceed the lower of the prior rate increased by one and one-half
32 times the most recent annual increase in the consumer price index for
33 urban consumers or the median rate plus one per cent. The
34 Commissioner of Social Services shall establish a fee schedule for home
35 health services to be effective on and after July 1, 1994. The
36 commissioner may annually increase any fee in the fee schedule based
37 on an increase in the cost of services. [The fee schedule may be phased
38 in over a two-year period during which no agency shall be paid for a
39 service in an amount which varies by more than ten per cent from the
40 payment made for the service in the preceding fiscal year.] The
41 commissioner shall increase the fee schedule for home health services
42 provided under the Connecticut home-care program for the elderly
43 established under section 17b-342, as amended, effective July 1, 2000,
44 by one per cent over the fee schedule for home health services for the
45 previous year. The commissioner may increase any fee payable to a
46 home health care agency or homemaker-home health aide agency
47 upon the application of such an agency evidencing extraordinary costs

48 related to (1) serving persons with AIDS; (2) high-risk maternal and
49 child health care; (3) escort services; or (4) extended hour services. In
50 no case shall any rate or fee exceed the charge to the general public for
51 similar services. A home health care agency or homemaker-home
52 health aide agency which, due to any material change in
53 circumstances, is aggrieved by a rate determined pursuant to this
54 subsection may, within ten days of receipt of written notice of such
55 rate from the Commissioner of Social Services, request in writing a
56 hearing on all items of aggrievement. The commissioner shall, upon
57 the receipt of all documentation necessary to evaluate the request,
58 determine whether there has been such a change in circumstances and
59 shall conduct a hearing if appropriate. The Commissioner of Social
60 Services shall adopt regulations, in accordance with chapter 54, to
61 implement the provisions of this subsection. The commissioner may
62 implement policies and procedures to carry out the provisions of this
63 subsection while in the process of adopting regulations, provided
64 notice of intent to adopt the regulations is published in the Connecticut
65 Law Journal within twenty days of implementing the policies and
66 procedures. Such policies and procedures shall be valid for not longer
67 than nine months.

68 (b) The Department of Social Services shall monitor the rates
69 charged by home health care agencies and homemaker-home health
70 aide agencies. Such agencies shall file annual cost reports and service
71 charge information with the department.

72 Sec. 2. Section 17b-343 of the general statutes is repealed and the
73 following is substituted in lieu thereof:

74 The Commissioner of Social Services shall establish annually the
75 maximum allowable rate to be paid by said agencies for homemaker
76 services, chore person services, companion services, respite care, meals
77 on wheels, adult day care services, case management and assessment
78 services, transportation, mental health counseling and elderly foster

79 care, except that the maximum allowable rates in effect July 1, 1990,
80 shall remain in effect during the fiscal years ending June 30, 1992, and
81 June 30, 1993. The Commissioner of Social Services shall prescribe
82 uniform forms on which agencies providing such services shall report
83 their costs for such services. Such rates shall be determined on the
84 basis of a reasonable payment for necessary services rendered. The
85 maximum allowable rates established by the Commissioner of Social
86 Services for the Connecticut home-care program for the elderly
87 established under section 17b-342, as amended, shall constitute the
88 rates required under this section until revised in accordance with this
89 section. The Commissioner of Social Services shall establish a fee
90 schedule, to be effective on and after July 1, 1994, for homemaker
91 services, chore person services, companion services, respite care, meals
92 on wheels, adult day care services, case management and assessment
93 services, transportation, mental health counseling and elderly foster
94 care. The commissioner shall increase the fee schedule effective July 1,
95 2000, by one per cent over the fee schedule for the previous year and
96 thereafter may annually increase any fee in the fee schedule based on
97 an increase in the cost of services. Nothing contained in this section
98 shall authorize a payment by the state to any agency for such services
99 in excess of the amount charged by such agency for such services to
100 the general public.

101 Sec. 3. This act shall take effect July 1, 2000.

HS Committee Vote: Yea 18 Nay 0 JF C/R APP

APP Committee Vote: Yea 50 Nay 0 JF

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Significant Cost

Affected Agencies: Department of Social Services

Municipal Impact: None

Explanation

State Impact:

This bill requires the Department of Social Services to increase the rates paid to providers of home care services by one percent, effective July 1, 2000. This rate increase is expected to cost \$1.2 million annually. The House version of the Appropriations Act includes \$3.6 million for an increase in home care rates, which represents a total increase of three percent. The Senate version of the Appropriations Act includes \$1.2 million from FY00 surplus funds to cover a one percent increase.

OLR Bill Analysis

HB 5248

AN ACT INCREASING HOME CARE FEE SCHEDULES.**SUMMARY:**

This bill increases by 1% the rates the Department of Social Services (DSS) pays home health care agencies and homemaker-home health aide agencies serving clients in the Connecticut Home Care Program for Elders (CHCPE). Rates for those agencies not serving CHCPE clients remain the same. Current law allows DSS to annually increase the rates, which are set in a schedule, based on increases in service costs.

The bill also increases by 1% the fees that DSS pays for community-based services. These services include homemakers, chore services, companions, respite, meals on wheels, adult day care, case management and assessment, transportation, mental health counseling, and elderly foster care. Unlike the rates for the above agencies, the bill eliminates the commissioner's authority to increase these fees in FY 200-01 based on increases in service costs. This authority is restored in subsequent years.

It also makes a technical change.

EFFECTIVE DATE: July 1, 2000

BACKGROUND***Connecticut Home Care Program for Elders***

The CHCPE provides home- and community-based services to frail elderly individuals who are institutionalized or at risk of institutionalization. The program has a Medicaid-funded component that serves individuals who are Medicaid-eligible and a state-funded one. Program eligibility is based on both financial and physical need. Access agencies assess an individual's services needs and then

subcontracts for them with local providers.

Related Bill

SHB 5251, favorably reported to the House by the Appropriations Committee on March 27, expands eligibility for the CHCPE by increasing the income limits and extending the types of services the program may provide.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Change of Reference
Yea 18 Nay 0

Appropriations Committee

Joint Favorable Report
Yea 50 Nay 0