



General Assembly

February Session, 2000

Raised Bill No. 5624

LCO No. 1581

Referred to Committee on Human Services

Introduced by:
(HS)

***An Act Concerning The Administration Of Child Care Programs
Under The Department Of Social Services.***

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

1 Section 1. Section 17b-99 of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 (a) Any vendor found guilty of vendor fraud under sections 53a-290
4 to 53a-296, inclusive, shall be subject to forfeiture or suspension of any
5 franchise or license held by him from the state in accordance with this
6 subsection, after hearing in the manner provided for in sections 4-176e
7 to 4-180a, inclusive, and 4-181a. Any vendor convicted of vendor fraud
8 under sections 53a-290 to 53a-296, inclusive, shall have such license or
9 franchise revoked. Nothing in this subsection shall preclude any board
10 or commission established under chapters 369 to 376, inclusive, 378 to
11 381, inclusive, and 383 to 388, inclusive, and the Department of Public
12 Health with respect to professions under its jurisdiction which have no
13 board or commission from taking any action authorized in section 19a-
14 17. Any vendor who is convicted in any state or federal court of a
15 crime involving fraud in the Medicare program or Medicaid program
16 or aid to families with dependent children program or state-

17 administered general assistance program or temporary family
18 assistance program or state supplement to the federal Supplemental
19 Security Income Program or any federal or state energy assistance
20 program or general assistance program or state-funded child care
21 program or the refugee program shall be terminated from such
22 programs, effective upon conviction, except that the Commissioner of
23 Social Services may delay termination for a period he deems sufficient
24 to protect the health and well-being of beneficiaries receiving services
25 from such vendor. A vendor who is ineligible for federal financial
26 participation shall be ineligible for participation in such programs. No
27 vendor shall be eligible for reimbursement for any goods provided or
28 services performed by a person convicted of a crime involving fraud in
29 such programs. The convicted person may request a hearing
30 concerning such ineligibility for reimbursement pursuant to sections 4-
31 176e to 4-180a, inclusive, and 4-181a provided such request is filed in
32 writing with the Commissioner of Social Services within ten days of
33 the date of written notice by the commissioner to the person of such
34 ineligibility. The commissioner shall give notice of such ineligibility to
35 such vendors by means of publication in the Connecticut Law Journal
36 following the expiration of said ten-day hearing request period, if no
37 timely request has been filed, or following the decision on the hearing.
38 The Commissioner of Social Services may take such steps as he
39 considers necessary to inform the public of the conviction and
40 ineligibility for reimbursement. No vendor or person so terminated or
41 denied reimbursement shall be readmitted to or be eligible for
42 reimbursement in such programs. Any sums paid as a result of vendor
43 fraud under sections 53a-290 to 53a-296, inclusive, may be recovered in
44 an action brought by the state against such person.

45 (b) For the purpose of determining compliance with subsection (a),
46 all vendors shall notify the commissioner within thirty days after the
47 date of employment or conviction, whichever is later, of the identity,
48 interest and extent of services performed by any person convicted of a
49 crime involving fraud in the Medicare program or Medicaid program
50 or aid to families with dependent children program or state-

51 administered general assistance program or temporary family
52 assistance program or state supplement to the federal Supplemental
53 Security Income Program or any federal or state energy assistance
54 program or general assistance program or state-funded child care
55 program or the refugee program. Prior to the commissioner's
56 acceptance of a provider agreement or at any time upon written
57 request by the commissioner, the vendor shall furnish the
58 commissioner with the identity of any person convicted of a crime
59 involving fraud in such programs who has an ownership or control
60 interest in the vendor or who is an agent or managing employee. The
61 commissioner shall terminate, refuse to enter into or renew an
62 agreement with a vendor, except a vendor providing room and board
63 and services pursuant to section 17b-340, if such convicted person has
64 such interest or is such agent or employee. In the case of a vendor
65 providing room and board and services pursuant to said section 17b-
66 340, the commissioner may terminate, refuse to enter into or renew an
67 agreement after consideration of any adverse impact on beneficiaries
68 of such termination or refusal.

69 (c) The Department of Social Services shall distribute to all vendors
70 who are providers in the medical assistance program a copy of the
71 rules, regulations, standards and laws governing the program. The
72 Commissioner of Social Services shall adopt by regulation in the
73 manner provided for in sections 4-166 to 4-176, inclusive,
74 administrative sanctions against providers in the Medicare program or
75 Medicaid program or aid to families with dependent children program
76 or state-funded child care program or state-administered general
77 assistance program or temporary family assistance program or state
78 supplement to the federal Supplemental Security Income Program
79 including suspension from the program, for any violations of the rules,
80 regulations, standards or law. The commissioner may adopt
81 regulations in accordance with the provisions of chapter 54 to provide
82 for the withholding of payments currently due in order to offset
83 money previously obtained as the result of error or fraud. The
84 department shall notify the proper professional society and licensing

85 agency of any violations of this section.

86 Sec. 2. Section 17b-737 of the general statutes is repealed and the
87 following is substituted in lieu thereof:

88 The Commissioner of Social Services shall establish a program,
89 within available appropriations, to provide grants to municipalities,
90 boards of education and child care providers to encourage the use of
91 school facilities for the provision of child day care services before and
92 after school. In order to qualify for a grant, a municipality, board of
93 education or child care provider shall guarantee the availability of a
94 school site which meets the standards set by the Department of Public
95 Health in regulations adopted under sections 19a-77, 19a-79, 19a-80
96 and 19a-82 to 19a-87a, inclusive, and shall agree to provide liability
97 insurance coverage for the program. Grant funds shall be used by the
98 municipality, board of education or child care provider for the
99 maintenance and utility costs directly attributable to the use of the
100 school facility for the day care program, for related transportation costs
101 and for the portion of the municipality, board of education or child
102 care provider liability insurance cost and other operational costs
103 directly attributable to the day care program. The municipality or
104 board of education may contract with a child day care provider for the
105 program. [The contract shall limit the amount the provider may charge
106 under the program to the provider's base cost per capita plus a
107 percentage of the base cost.] The Commissioner of Social Services may
108 adopt regulations, in accordance with the provisions of chapter 54 for
109 purposes of this section. The commissioner may utilize available child
110 care subsidies to implement the provisions of this section and
111 encourage association and cooperation with the Head Start program
112 established pursuant to section 10-16n.

113 Sec. 3. Section 17b-749k of the general statutes is repealed and the
114 following is substituted in lieu thereof:

115 (a) On and after January 1, 1998, the Commissioner of Social
116 Services shall, within available appropriations, request a criminal

117 history records check for any person, other than a relative, providing
118 child care services to a child in the child's home who receives a child
119 care subsidy from the Department of Social Services. [Such criminal
120 records check shall be requested from the State Police Bureau of
121 Identification and the Federal Bureau of Investigation. The
122 commissioner shall also request a check of the state child abuse
123 registry established pursuant to section 17a-101k.] Each such person
124 shall be fingerprinted. The commissioner shall request a state criminal
125 history records check for each such person from the State Police
126 Bureau of Identification. The commissioner shall forward the
127 fingerprints of each such person to said bureau which shall submit the
128 fingerprints to the Federal Bureau of Investigation for a national
129 criminal history records check. A fee shall be charged by the
130 commissioner for each such national criminal history records check
131 which shall be equal to the fee charged by the Federal Bureau of
132 Investigation for performing such check. The Department of Social
133 Services shall reimburse the Department of Public Safety for the actual
134 cost for a national criminal history records check. The commissioner
135 shall also request a check of the state child abuse registry established
136 pursuant to section 17a-101k.

137 (b) The Commissioner of Social Services [shall have the discretion
138 to] may refuse payments for child care under any financial assistance
139 program administered by [him] said commissioner if the person
140 providing such child care has been convicted in this state or any other
141 state of a felony, as defined in section 53a-25, involving the use,
142 attempted use or threatened use of physical force against another
143 person, of cruelty to persons under section 53-20, injury or risk of
144 injury to or impairing morals of children under section 53-21,
145 abandonment of children under the age of six years under section 53-
146 23 or any felony where the victim of the felony is a child under
147 eighteen years of age, or of a violation of section 53a-70, 53a-70a, 53a-
148 70b, 53a-71, 53a-72a, 53a-72b or 53a-73a, or has a criminal record or
149 was the subject of a substantiated report of child abuse in this state or
150 any other state that the commissioner reasonably believes renders the

151 person unsuitable to provide child care.

152 Sec. 4. Section 53a-290 of the general statutes is repealed and the
153 following is substituted in lieu thereof:

154 A person commits vendor fraud when, with intent to defraud and
155 acting on his own or on behalf of an entity, [he] such person provides
156 goods or services to a beneficiary under sections 17b-22, 17b-75 to 17b-
157 77, inclusive, 17b-79 to 17b-103, inclusive, 17b-114, 17b-180a, 17b-183,
158 17b-260 to 17b-262, inclusive, 17b-264 to 17b-285, inclusive, 17b-357 to
159 17b-362, inclusive, 17b-600 to 17b-604, inclusive, 17b-749, as amended,
160 17b-807 and 17b-808 or provides services to a recipient under Title XIX
161 of the Social Security Act, as amended, and, (1) presents for payment
162 any false claim for goods or services performed; (2) accepts payment
163 for goods or services performed, which exceeds either the amounts
164 due for goods or services performed, or the amounts authorized by
165 law for the cost of such goods or services; (3) solicits to perform
166 services for or sell goods to any such beneficiary, knowing that such
167 beneficiary is not in need of such goods or services; (4) sells goods to or
168 performs services for any such beneficiary without prior authorization
169 by the Department of Social Services, when prior authorization is
170 required by said department for the buying of such goods or the
171 performance of any service; or (5) accepts from any person or source
172 other than the state an additional compensation in excess of the
173 amount authorized by law.

174 Sec. 5. This act shall take effect July 1, 2000.

Statement of Purpose:

To include state-funded child care programs within the purview of the vendor fraud statute; to provide that grant funds shall be used for other operational costs directly attributable to the school-based child day care program and to delete the provision that requires the contract to limit the amount the provider may charge under the program to the provider's base cost per capita plus a percentage of the base cost; and to revise the provision relative to criminal history records checks for in-home, nonrelative providers of child care services.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]