



General Assembly

January Session, 2001

**Committee Bill No. 6020**

LCO No. 5099

Referred to Committee on Human Services

Introduced by:  
(HS)

**AN ACT CONCERNING RATE RELIEF FOR RESIDENTIAL CARE HOMES.**

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

1 Section 1. Subsection (h) of section 17b-340 of the general statutes is  
2 repealed and the following is substituted in lieu thereof:

3 (h) For the fiscal year ending June 30, 1993, any residential care  
4 home with an operating cost component of its rate in excess of one  
5 hundred thirty per cent of the median of operating cost components of  
6 rates in effect January 1, 1992, shall not receive an operating cost  
7 component increase. For the fiscal year ending June 30, 1993, any  
8 residential care home with an operating cost component of its rate that  
9 is less than one hundred thirty per cent of the median of operating cost  
10 components of rates in effect January 1, 1992, shall have an allowance  
11 for real wage growth equal to sixty-five per cent of the increase  
12 determined in accordance with subsection (q) of section 17-311-52 of  
13 the regulations of Connecticut state agencies, provided such operating  
14 cost component shall not exceed one hundred thirty per cent of the  
15 median of operating cost components in effect January 1, 1992.  
16 Beginning with the fiscal year ending June 30, 1993, for the purpose of

17 determining allowable fair rent, a residential care home with allowable  
18 fair rent less than the twenty-fifth percentile of the state-wide  
19 allowable fair rent shall be reimbursed as having allowable fair rent  
20 equal to the twenty-fifth percentile of the state-wide allowable fair  
21 rent. Beginning with the fiscal year ending June 30, [1997] 2001, a  
22 residential care home with allowable fair rent less than [three dollars  
23 and ten cents] four dollars per day shall be reimbursed as having  
24 allowable fair rent equal to [three dollars and ten cents] four dollars  
25 per day. Property additions placed in service during the cost year  
26 ending September 30, 1996, or any succeeding cost year shall receive a  
27 fair rent allowance for such additions as an addition to [three dollars  
28 and ten cents] four dollars per day if the fair rent for the facility for  
29 property placed in service prior to September 30, 1995, is less than or  
30 equal to [three dollars and ten cents] four dollars per day. For the fiscal  
31 year ending June 30, 1996, and any succeeding fiscal year, the  
32 allowance for real wage growth, as determined in accordance with  
33 subsection (q) of section 17-311-52 of the regulations of Connecticut  
34 state agencies shall not be applied. For the fiscal year ending June 30,  
35 1996, and any succeeding fiscal year, the inflation adjustment made in  
36 accordance with subsection (p) of section 17-311-52 of the regulations  
37 of Connecticut state agencies shall not be applied to real property  
38 costs. Beginning with the fiscal year ending June 30, 1997, minimum  
39 allowable patient days for rate computation purposes for a residential  
40 care home with twenty-five beds or less shall be eighty-five per cent of  
41 licensed capacity. Beginning with the fiscal year ending June 30, [1998]  
42 2002, for the purposes of determining the allowable salary of an  
43 administrator of a residential care home with sixty beds or less the  
44 department shall revise the allowable base salary to [thirty] thirty-nine  
45 thousand dollars and beginning with the fiscal year ending June 30,  
46 2003, such salary shall be revised to forty-five thousand dollars, to be  
47 annually inflated thereafter in accordance with section 17-311-52 of the  
48 regulations of Connecticut state agencies. [and, beginning] Beginning  
49 with the fiscal year ending June 30, 2000, the inflation adjustment for  
50 rates made in accordance with subsection (p) of section 17-311-52 of

51 the regulations of state agencies shall be increased by two per cent and  
52 beginning with the fiscal year ending June 30, 2002, the inflation  
53 adjustment for rates made in accordance with subsection (c) of said  
54 section shall be increased by two per cent. Beginning with the fiscal  
55 year ending June 30, 1999, for the purpose of determining the  
56 allowable salary of a related party, the department shall revise the  
57 maximum salary to twenty-seven thousand eight hundred fifty-six  
58 dollars to be annually inflated thereafter in accordance with section  
59 17-311-52 of the regulations of Connecticut state agencies and  
60 beginning with the fiscal year ending June 30, 2001, such allowable  
61 salary shall be computed on an hourly basis and the maximum  
62 number of hours allowed for a related party other than the proprietor  
63 shall be increased from forty hours to forty-eight hours per work week.  
64 Beginning with the fiscal year ending June 30, 2002, any residential  
65 care home with an operating cost component of its rate below the  
66 median of operating cost components of rates that files a cost report  
67 with the commissioner and houses at least ninety per cent of residents  
68 who receive the state supplement to the federal Supplemental Security  
69 Income Program shall receive an extra payment of one dollar added to  
70 the per diem rate. Any residential care home to which improvements  
71 have been made or for which equipment has been purchased in an  
72 amount not to exceed five thousand dollars shall be reimbursed for the  
73 cost of such improvements or equipment during the next fiscal year.

74 Sec. 2. This act shall take effect July 1, 2001.

**HS**

*Joint Favorable C/R*

APP