



AN ACT CONCERNING HOSPITAL FINANCE AND DATA REPORTING.

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

1 Section 1. (NEW) (*Effective July 1, 2002*) On or before September 1,
2 2002, and each September first thereafter, each short-term acute care
3 general or children's hospital licensed by the Department of Public
4 Health, shall submit to the Office of Health Care Access, in the form
5 and manner prescribed by the office, the hospital's budget for the next
6 hospital fiscal year. Said budget shall have been approved by the
7 hospital's governing body and shall contain the hospital's budgeted
8 revenue and expenses and utilization amounts for the following fiscal
9 year and any other type of data previously reported as part of the net
10 revenue system contained in sections 19a-674, 19a-675, 19a-676a, 19a-
11 678 and 19a-680 of the general statutes, revision of 1958, revised to
12 January 1, 2001, and any regulations adopted pursuant to said sections,
13 which the office may require.

14 Sec. 2. Subsection (a) of section 19a-644 of the general statutes is
15 repealed and the following is substituted in lieu thereof (*Effective July*
16 *1, 2002*):

17 (a) On or before February twenty-eighth annually, [each health care
18 facility and institution for which a budget was approved or revenue
19 limits were established under the provisions of section 19a-640 or
20 section 19a-674,] for the fiscal year ending on September thirtieth of the

21 immediately preceding year, each hospital licensed by the Department
22 of Public Health shall report to the office with respect to its operations
23 in such fiscal year, in such form as the office may by regulation
24 require. Any hospital licensed by the Department of Public Health that
25 has a fiscal year that ends on a date other than September thirtieth,
26 shall report to the office with respect to its operations in the
27 immediately preceding fiscal year, on or before the last business day of
28 the fifth month following the close of the hospital fiscal year, in such
29 form as the office may require by regulations adopted by the
30 commissioner in accordance with chapter 54. Said report shall include:
31 (1) Average salaries in each department of administrative personnel,
32 supervisory personnel, and direct service personnel by job
33 classification; (2) salaries and fringe benefits for each of the ten highest
34 paid [positions] administrators and the ten highest paid clinical
35 professionals by individual position titles; (3) the full legal name of
36 each joint venture, partnership, subsidiary, [and] parent corporation or
37 other legal entity related to the hospital and an explanation of how the
38 entity is related; and (4) the individual amounts of salaries and fringe
39 benefits, if any, paid to each person in each of the hospital's top ten
40 administrative or clinical positions, listed by hospital position, affiliate
41 name and affiliate position title, by each entity related to the hospital
42 in any way and any amount paid to any other hospital employees by
43 each such joint venture, partnership, subsidiary, [and] related
44 corporation or entity and by the hospital to the employees of related
45 [corporations] entities not otherwise reported under this section. In
46 addition, said report may, at the discretion of the office, include a
47 breakdown of hospital and department budgets by administrative,
48 supervisory and direct service categories, by total dollars, by full-time
49 equivalent staff or any combination thereof, which the office may
50 request at any time of the year, provided the office gives the hospital at
51 least thirty days from the date of the request to provide the
52 information.

53 Sec. 3. Section 19a-646 of the general statutes is repealed and the
54 following is substituted in lieu thereof (*Effective July 1, 2002*):

55 (a) As used in this section:

56 (1) "Office" means the Office of Health Care Access;

57 (2) "Fiscal year" means the hospital fiscal year as used for purposes
58 of this chapter;

59 (3) "Hospital" means any [short-term acute care general] hospital
60 licensed by the Department of Public Health in the state;

61 (4) "Payer" means any person, legal entity, governmental body or
62 eligible organization covered by the provisions of [42 USC Section
63 1395mm(b)] Section 1876 of the Social Security Act, or any combination
64 thereof, except for Medicare and Medicaid which is or may become
65 legally responsible, in whole or in part for the payment of services
66 rendered to or on behalf of a patient by a hospital. Payer also includes
67 any legal entity whose membership includes one or more payers and
68 any third-party payer; and

69 (5) "Prompt payment" means payment made for services to a
70 hospital by mail or other means on or before the tenth business day
71 after receipt of the bill by the payer.

72 (b) No hospital shall provide a discount or different rate or method
73 of reimbursement from the filed rates or charges to any payer except as
74 provided in this section.

75 [(c) (1) Until September 30, 1993, in addition to procedures available
76 to other private third-party payers, an eligible organization, as
77 described in 42 USC Section 1395mm(b), may directly negotiate for a
78 different rate and method of reimbursement with a hospital.

79 (2) Effective October 1, 1993, to March 31, 1994, inclusive, an eligible
80 organization, as described in 42 USC Section 1395mm(b), may directly
81 negotiate for a different rate and method of reimbursement with a
82 hospital provided (A) the cost of such discount is not shifted, in whole
83 or in part, to other payers not so covered by the discount agreement;
84 and (B) the charges and payment for the payer are reported in

85 accordance with this subsection.

86 (3) On and after April 1, 1994,]

87 (c) (1) From April 1, 1994, to June 30, 2002, any payer may directly
88 negotiate for a different rate and method of reimbursement with a
89 hospital provided the charges and payments for the payer are reported
90 in accordance with this subsection. No discount agreement or
91 agreement for a different rate or method of reimbursement shall be
92 effective until filed with the office.

93 (2) On and after July 1, 2002, any payer may directly negotiate with
94 a hospital for a different rate or method of reimbursement, or both,
95 provided the charges and payments for the payer are on file at the
96 hospital business office in accordance with this subsection. No
97 discount agreement or agreement for a different rate or method of
98 reimbursement, or both, shall be effective until a complete written
99 agreement between the hospital and the payer is on file at the hospital.
100 Each such agreement shall be available to the office for inspection or
101 submission to the office upon request, for at least three years after the
102 close of the applicable fiscal year.

103 [(4)] (3) On and after April 1, 1994, the charges and payments for
104 each payer receiving a discount shall be accumulated by the hospital
105 for each payer and reported as required by the office. The office may
106 require a review by the hospital's independent auditor, at the hospital's
107 expense, to determine compliance with [subdivision (3) of] this
108 subsection.

109 [(5) A] (4) From October 2, 1991, to June 30, 2002, a full written copy
110 of each agreement executed pursuant to this subsection [, on and after
111 October 2, 1991,] shall be filed with the Office of Health Care Access by
112 each hospital executing such an agreement, no later than ten business
113 days after such agreement is executed. On and after July 1, 2002, a full
114 written copy of each agreement executed pursuant to this subsection
115 shall be on file in the hospital business office within twenty-four hours
116 of execution. Each agreement filed shall specify on its face that it was

117 executed and filed pursuant to this subsection. Agreements filed at the
118 Office of Health Care Access, in accordance with this subsection, shall
119 be considered trade secrets pursuant to subdivision (5) of subsection
120 (b) of section 1-210, as amended, except that the office may utilize and
121 distribute data derived from such agreements, including the names of
122 the parties to the agreement, the duration and dates of the agreement
123 and the estimated value of any discount or alternate rate of payment.

124 (d) A payer may negotiate with a hospital to obtain a discount on
125 rates or charges for prompt payment.

126 (e) A payer may also negotiate for and may receive a discount for
127 the provision of the following administrative services: (1) A system
128 which permits the hospital to bill the payer through either a computer-
129 processed or machine-readable or similar billing procedure; (2) a
130 system which enables the hospital to verify coverage of a patient by
131 the payer at the time the service is provided; and (3) a guarantee of
132 payment within the scope of the agreement between the patient and
133 the third-party payer for service to the patient prior to the provision of
134 that service.

135 (f) No hospital may require a payer to negotiate for another element
136 or any combination of the above elements of a discount, as established
137 in subsections (d) and (e) of this section, in order to negotiate for or
138 obtain a discount for any single element. No hospital may require a
139 payer to negotiate a discount for all patients covered by such payer in
140 order to negotiate a discount for any patient or group of patients
141 covered by such payer.

142 (g) Any hospital which agrees to provide a discount to a payer
143 under subsection (d) or (e) of this section shall file a copy of the
144 agreement [with the] in the hospital's business office and shall provide
145 the same discount to any other payer who agrees to make prompt
146 payment or provide administrative services similar to that contained in
147 the agreement. Each agreement filed shall specify on its face that it was
148 executed and filed pursuant to this subsection. The office shall

149 disallow any agreement which gives a discount pursuant to the terms
150 of subsections (d) and (e) of this section which is in excess of the
151 maximum amount set forth in said subsections. No such agreement
152 shall be contingent on volume or drafted in such a manner as to limit
153 the discount to one or more payers by establishing criteria unique to
154 such payers. Any payer aggrieved under this subsection may petition
155 the office for an order directing the hospital to provide a similar
156 discount. The office shall adopt regulations in accordance with the
157 provisions of chapter 54 to carry out the provisions of this subsection.

158 (h) (1) Nothing in this section shall be construed to require payment
159 by any payer or purchaser, under any program or contract for
160 payment or reimbursement of expenses for health care services, for:
161 (A) Services not covered under such program or contract; or (B) that
162 portion of any charge for services furnished by a hospital that exceeds
163 the amount covered by such program or contract.

164 (2) Nothing in this section shall be construed to supersede or modify
165 any provision of such program or contract that requires payment of a
166 copayment, deductible or enrollment fee or that imposes any similar
167 requirement.

168 (i) A hospital which has established a program approved by the
169 office with one or more banks for the purpose of reducing the
170 hospital's bad debt load, may reduce its published charges for that
171 portion of a patient's bill for services which a payer who is a private
172 individual is or may become legally responsible for, after all other
173 insurers or third-party payers have been assessed their full charges
174 provided (1) prior to the rendering of such services, the hospital and
175 the individual payer or parent or guardian or custodian have agreed in
176 writing that after receipt of any insurer or third-party payment paid in
177 accordance with the full hospital charges the remaining payment due
178 from the private individual for such reduced charges shall be made in
179 whole or in part from the balance on deposit in a bank account which
180 has been established by or on behalf of such individual patient, and (2)
181 such payment is made from such account. Nothing in this section shall

182 relieve a patient or legally liable person from being responsible for the
183 full amount of any underpayment of the hospital's authorized charges
184 excluding any discount under this section, by a patient's insurer or any
185 other third-party payer for that insurer's or third-party payer's portion
186 of the bill. Any reduction in charges granted to an individual or parent
187 or guardian or custodian under this subsection shall be reported to the
188 office as a contractual allowance. For purposes of this section "private
189 individual" shall include a patient's parent, legal guardian or legal
190 custodian but shall not include an insurer or third-party payer.

191 Sec. 4. Section 19a-654 of the general statutes is repealed and the
192 following is substituted in lieu thereof (*Effective July 1, 2002*):

193 The Office of Health Care Access shall require hospitals to submit
194 such data, including discharge data, as it deems necessary [for budget
195 review purposes] to fulfill the responsibilities of the office. Such data
196 shall include data taken from medical record abstracts and hospital
197 bills. The timing and format of such submission shall be specified by
198 the office. The data may be submitted through a contractual
199 arrangement with an intermediary. If the data is submitted through an
200 intermediary, the hospital shall ensure that such submission is timely
201 and that the data is accurate. The office may conduct an audit of the
202 data submitted to such intermediary in order to verify its accuracy.
203 Individual patient and physician data identified by proper name or
204 personal identification code submitted pursuant to this section shall be
205 kept confidential, but aggregate reports from which individual patient
206 and physician data cannot be identified shall be available to the public.

207 Sec. 5. Section 19a-659 of the general statutes is repealed and the
208 following is substituted in lieu thereof (*Effective July 1, 2002*):

209 As used in sections 19a-659, as amended by this act, [to 19a-662,
210 inclusive,] 19a-661, 19a-662, 19a-669 to 19a-672, inclusive, as amended
211 by this act, [and 19a-674 to 19a-680, inclusive] 19a-676, 19a-677 and
212 19a-679:

213 (1) "Office" means the Office of Health Care Access;

214 (2) "Hospital" means a hospital included within the definition of
215 health care facilities or institutions under section 19a-630 and licensed
216 as a short-term general hospital by the Department of Public Health
217 and including John Dempsey Hospital of The University of
218 Connecticut Health Center;

219 (3) "Fiscal year" means the hospital fiscal year;

220 (4) "Base year" means the fiscal year prior to the fiscal year for which
221 a budget is being determined;

222 (5) "Affiliate" means a person, entity or organization controlling,
223 controlled by, or under common control with another person, entity or
224 organization;

225 (6) "Uncompensated care including emergency assistance to
226 families" means the actual cost in the year prior to the base year of care
227 written off as bad debts or provided free under a free care policy
228 approved by the office including emergency assistance to families
229 authorized by the Department of Social Services and not otherwise
230 funded;

231 (7) "Medical assistance" means medical assistance provided under
232 the general assistance program, the state-administered general
233 assistance program or the Medicaid program;

234 (8) "CHAMPUS" means TriCare or the federal Civilian Health and
235 Medical Program of the Uniformed Services, 10 USC 1071 et seq.;

236 (9) "Medicare shortfall" means the Medicare underpayment for the
237 year prior to the base year divided by the proportion of total charges
238 excluding Medicare, medical assistance, CHAMPUS, and
239 uncompensated care including emergency assistance to families and
240 contractual and other allowances for the year prior to the base year;

241 (10) "Medical assistance shortfall" means the medical assistance
242 underpayment for the year prior to the base year divided by the
243 proportion of total charges excluding Medicare, medical assistance,

244 CHAMPUS, and uncompensated care including emergency assistance
245 to families and contractual and other allowances for the year prior to
246 the base year;

247 (11) "CHAMPUS shortfall" means the CHAMPUS underpayment
248 for the year prior to the base year divided by the proportion of total
249 charges excluding Medicare, medical assistance, CHAMPUS, and
250 uncompensated care including emergency assistance to families and
251 contractual and other allowances for the year prior to the base year;

252 (12) "Primary payer" means the payer responsible for the highest
253 percentage of the charges on the case;

254 (13) "Case mix index" means a hospital's case mix index calculated
255 using the medical record abstract and billing data submitted by the
256 hospital to the office. The case mix index shall be calculated by
257 dividing the total case mix adjusted discharges for the hospital by the
258 actual number of discharges for the hospital for the fiscal year. The
259 total case mix adjusted discharges shall be calculated by multiplying
260 the number of discharges in each diagnosis related group by the
261 Medicare weights in effect for the same diagnosis related group in
262 effect for the fiscal year and adding the resultant procedures across all
263 diagnosis related groups;

264 (14) "Contractual allowances" means, for the period October 1, 1992,
265 to March 30, 1994, inclusive, the amount of discounts provided to
266 nongovernmental payers pursuant to subsections (d) and (e) of section
267 19a-646, as amended by this act, [and] for the period beginning April 1,
268 1994, the amount of discounts provided to nongovernmental payers
269 pursuant to subsections (c), (d) and (e) of section 19a-646, as amended
270 by this act, and on and after July 1, 2002, any amount of discounts
271 provided to nongovernmental payers pursuant to a written agreement;

272 (15) "Medicare underpayment" means the difference between the
273 actual net revenue of a hospital times the ratio of Medicare charges to
274 total charges and the amount received by the hospital from the federal
275 government for Medicare patients for the year prior to the base year;

276 (16) "Medical assistance underpayment" means the difference
277 between the actual net revenue of a hospital times the ratio of medical
278 assistance charges to total charges and the amount received by the
279 hospital from the Department of Social Services for the year prior to
280 the base year;

281 (17) "CHAMPUS underpayment" means the difference between the
282 actual net revenue of a hospital times the ratio of CHAMPUS charges
283 to total charges and the amount received by the hospital from
284 CHAMPUS for the year prior to the base year;

285 (18) "Other allowances" means the amount of any difference
286 between charges for employee self-insurance and related expenses
287 determined using the hospital's overall relationship of costs to charges;

288 (19) "Gross revenue" means the total charges for all patient care
289 services;

290 (20) "Net revenue" means total gross revenue less contractual
291 allowance, the difference between government charges and
292 government payments, uncompensated care, and other allowances;
293 plus, for purposes of compliance, net payments from the
294 uncompensated care pool in existence prior to April 1, 1994, and
295 payments from the Department of Social Services;

296 (21) "Emergency assistance to families" means assistance to families
297 with children under the age of twenty-one who do not have the
298 resources to independently provide the assistance needed to avoid the
299 destitution of the child and which is authorized by the Department of
300 Social Services pursuant to section 17b-107 and is not otherwise
301 funded.

302 Sec. 6. Section 19a-668 of the general statutes is repealed and the
303 following is substituted in lieu thereof (*Effective July 1, 2002*):

304 Notwithstanding section 19a-667, the Office of Health Care Access
305 may maintain or enter into any contract or contracts with one or more

306 private entities within available appropriations to deactivate, audit or
307 consult on any rights, duties or obligations owed to the
308 uncompensated care pool prior to April 1, 1994, to assist the
309 Department of Social Services and to assist in the administration of
310 sections 3-114i and 12-263a to 12-263e, inclusive, subdivisions (2) and
311 (29) of section 12-407, as amended, subsection (1) of section 12-408, as
312 amended, section 12-408a, subdivision (5) of section 12-412, subsection
313 (1) of section 12-414, and sections 19a-646, as amended by this act, 19a-
314 659, as amended by this act, [to 19a-662, inclusive, and] 19a-661, 19a-
315 662, 19a-666 to [19a-680] 19a-673, inclusive, as amended by this act,
316 19a-676, 19a-677 and 19a-679 on or after April 1, 1994.

317 Sec. 7. Section 19a-669 of the general statutes is repealed and the
318 following is substituted in lieu thereof (*Effective July 1, 2002*):

319 Effective October 1, 1993, and October first of each subsequent year,
320 the Secretary of the Office of Policy and Management shall determine
321 and inform the Office of Health Care Access of the maximum amount
322 of disproportionate share payments and emergency assistance to
323 families eligible for federal matching payments under the Medical
324 Assistance Program or the Emergency Assistance to Families Program
325 pursuant to federal statute and regulations and subdivisions (2) and
326 (28) of section 12-407, as amended, subsection (1) of section 12-408, as
327 amended, subdivision (5) of section 12-412, section 12-414, sections
328 19a-649 [, 19a-660] and 19a-661 and this section and the actual and
329 anticipated appropriation to the medical assistance disproportionate
330 share-emergency assistance account authorized pursuant to sections 3-
331 114i and 12-263a to 12-263e, inclusive, subdivisions (2) and (29) of
332 section 12-407, as amended, subsection (1) of section 12-408, as
333 amended, section 12-408a, subdivision (5) of section 12-412, subsection
334 (1) of section 12-414 and sections 19a-646, as amended by this act, 19a-
335 659, as amended by this act, [to 19a-662, inclusive, and] 19a-661, 19a-
336 662, 19a-666 to [19a-680] 19a-673, inclusive, as amended by this act,
337 sections 19a-676, 19a-677 and 19a-679 and the amount of emergency
338 assistance to families' payments to eligible hospitals projected for the
339 year, and the anticipated amount of any increase in payments made

340 pursuant to any resolution of any civil action pending on April 1, 1994,
341 in the United States district court for the district of Connecticut. The
342 Department of Social Services shall inform the office of any amount of
343 uncompensated care which the Department of Social Services
344 determines is due to a failure on the part of the hospital to register
345 patients for emergency assistance to families, or a failure to bill
346 properly for emergency assistance to families' patients. If during the
347 course of a fiscal year the Secretary of the Office of Policy and
348 Management determines that these amounts should be revised, he
349 shall so notify the office and the office may modify its calculation
350 pursuant to section 19a-671, as amended by this act, to reflect such
351 revision and its orders [in accordance with section 19a-660,] as it
352 deems appropriate and the Commissioner of Social Services may
353 modify his determination pursuant to section 19a-671, as amended by
354 this act.

355 Sec. 8. Subsection (d) of section 19a-670 of the general statutes, as
356 amended by section 3 of public act 01-3 of the June special session, is
357 repealed and the following is substituted in lieu thereof (*Effective July*
358 *1, 2002*):

359 (d) Nothing in section 3-114i, subdivisions (2) or (29) of section 12-
360 407, as amended, subsection (1) of section 12-408, as amended, section
361 12-408a, subdivision (5) of section 12-412, subsection (1) of section 12-
362 414, or sections 12-263a to 12-263e, inclusive, sections 19a-646, as
363 amended by this act, 19a-659, as amended by this act, [to 19a-662,] 19a-
364 661, 19a-662 or 19a-666 [to 19a-680, inclusive,] to 19a-673, inclusive, as
365 amended by this act, sections 19a-676, 19a-677 or 19a-679 or sections 1,
366 2, or 38 of public act 94-9* shall be construed to require the Department
367 of Social Services to pay out more funds than are appropriated
368 pursuant to said sections.

369 Sec. 9. Section 19a-670b of the general statutes, as amended by
370 section 67 of public act 01-2 of the June special session and sections 129
371 and 130 of public act 01-9 of the June special session, is repealed and
372 the following is substituted in lieu thereof (*Effective July 1, 2002*):

373 Nothing in section 12-263a, subsection (28) of section 12-407, section
374 19a-670, as amended by this act, or section 19a-670a [or 19a-676a] shall
375 be construed as relieving any children's general hospital from any
376 prior year's disproportionate share settlements or adjustments.

377 Sec. 10. Section 19a-671 of the general statutes is repealed and the
378 following is substituted in lieu thereof (*Effective July 1, 2002*):

379 The Commissioner of Social Services is authorized to determine the
380 amount of payments pursuant to sections 19a-670 to 19a-672, inclusive,
381 as amended by this act, for each hospital. The commissioner's
382 determination shall be based on the advice of the office and the
383 application of the calculation in this section. For each hospital, the
384 Office of Health Care Access shall calculate the amount of payments to
385 be made pursuant to sections 19a-670 to 19a-672, inclusive, as
386 amended by this act, as follows:

387 (1) For the period April 1, 1994, to June 30, 1994, inclusive, and for
388 the period July 1, 1994, to September 30, 1994, inclusive, the office shall
389 calculate and advise the Commissioner of Social Services of the
390 amount of payments to be made to each hospital as follows:

391 (A) Determine the amount of pool payments for the hospital,
392 including grants approved pursuant to section 19a-168k, in the
393 previously authorized budget authorization for the fiscal year
394 commencing October 1, 1993.

395 (B) Calculate the sum of the result of subparagraph (A) of this
396 subdivision for all hospitals.

397 (C) Divide the result of subparagraph (A) of this subdivision by the
398 result of subparagraph (B) of this subdivision.

399 (D) From the anticipated appropriation to the medical assistance
400 disproportionate share-emergency assistance account made pursuant
401 to sections 3-114i and 12-263a to 12-263e, inclusive, subdivisions (2)
402 and (29) of section 12-407, as amended, subsection (1) of section 12-408,

403 as amended, section 12-408a, subdivision (5) of section 12-412,
404 subsection (1) of section 12-414 and sections 19a-646, as amended by
405 this act, 19a-659, as amended by this act, [to 19a-662, inclusive,] 19a-
406 661, 19a-662 and 19a-666 to [19a-680, inclusive,] 19a-673, inclusive, as
407 amended by this act, 19a-673, 19a-676, 19a-677 and 19a-679 for the
408 quarter subtract the amount of any additional medical assistance
409 payments made to hospitals pursuant to any resolution of or court
410 order entered in any civil action pending on April 1, 1994, in the
411 United States District Court for the district of Connecticut, and also
412 subtract the amount of any emergency assistance to families payments
413 projected by the office to be made to hospitals in the quarter.

414 (E) The disproportionate share payment shall be the result of
415 subparagraph (D) of this subdivision multiplied by the result of
416 subparagraph (C) of this subdivision.

417 (2) For the fiscal year commencing October 1, 1994, and subsequent
418 fiscal years, the interim payment shall be calculated as follows for each
419 hospital:

420 (A) For each hospital determine the amount of the medical
421 assistance underpayment determined pursuant to section 19a-659, as
422 amended by this act, plus the actual amount of uncompensated care
423 including emergency assistance to families determined pursuant to
424 section 19a-659, as amended by this act, less any amount of
425 uncompensated care determined by the Department of Social Services
426 to be due to a failure of the hospital to enroll patients for emergency
427 assistance to families, plus the amount of any grants authorized
428 pursuant to the authority of section 19a-168k.

429 (B) Calculate the sum of the result of subparagraph (A) of this
430 subdivision for all hospitals.

431 (C) Divide the result of subparagraph (A) of this subdivision by the
432 result of subparagraph (B) of this subdivision.

433 (D) From the anticipated appropriation made to the medical

434 assistance disproportionate share-emergency assistance account
435 pursuant to sections 3-114i and 12-263a to 12-263e, inclusive,
436 subdivisions (2) and (29) of section 12-407, as amended, subsection (1)
437 of section 12-408, as amended, section 12-408a, subdivision (5) of
438 section 12-412, subsection (1) of section 12-414 and sections 19a-646,
439 19a-659, [to 19a-662, inclusive,] 19a-661, 19a-662 and 19a-666 [to 19a-
440 680, inclusive,] to 19a-673, inclusive, 19a-676, 19a-677 and 19a-679, as
441 amended by this act, for the fiscal year, subtract the amount of any
442 additional medical assistance payments made to hospitals pursuant to
443 any resolution of or court order entered in any civil action pending on
444 April 1, 1994, in the United States District Court for the district of
445 Connecticut, and also subtract any emergency assistance to families
446 payments projected by the office to be made to the hospitals for the
447 year.

448 (E) The disproportionate share payment shall be the result of
449 subparagraph (D) of this subdivision multiplied by the result of
450 subparagraph (C) of this subdivision.

451 Sec. 11. Section 19a-672 of the general statutes is repealed and the
452 following is substituted in lieu thereof (*Effective July 1, 2002*):

453 The funds appropriated to the medical assistance disproportionate
454 share-emergency assistance account pursuant to sections 3-114i and 12-
455 263a to 12-263e, inclusive, subdivisions (2) and (29) of section 12-407,
456 as amended, subsection (1) of section 12-408, as amended, section 12-
457 408a, subdivision (5) of section 12-412, subsection (1) of section 12-414
458 and sections 19a-646, as amended by this act, 19a-659, as amended by
459 this act, [to 19a-662, inclusive, and] 19a-661, 19a-662, 19a-666 to [19a-
460 680, inclusive,] 19a-673, inclusive, as amended by this act, 19a-676, 19a-
461 677 and 19a-679 shall be used by said account to make
462 disproportionate share payments to hospitals, including grants to
463 hospitals pursuant to section 19a-168k, and to make emergency
464 assistance to families payments to hospitals. In addition, the medical
465 assistance disproportionate share-emergency assistance account may
466 utilize a portion of these funds to make outpatient payments as the

467 Department of Social Services determines appropriate or to increase
468 the standard medical assistance payments to hospitals if the
469 Department of Social Services determines it to be appropriate to settle
470 any civil action pending on April 1, 1994, in the United States District
471 Court for the district of Connecticut. Notwithstanding any other
472 provision of the general statutes, the Department of Social Services
473 shall not be required to make any payments pursuant to sections 3-114i
474 and 12-263a to 12-263e, inclusive, subdivisions (2) and (29) of section
475 12-407, as amended, subsection (1) of section 12-408, as amended,
476 section 12-408a, subdivision (5) of section 12-412, subsection (1) of
477 section 12-414 and sections 19a-646, as amended by this act, 19a-659, as
478 amended by this act, [to 19a-662, inclusive,] 19a-661, 19a-662 and 19a-
479 666 to [19a-680, inclusive,] 19a-673, inclusive, as amended by this act,
480 19a-676, 19a-677 and 19a-679 in excess of the funds available in the
481 medical assistance disproportionate share-emergency assistance
482 account.

483 Sec. 12. Subsection (a) of section 17b-242 of the general statutes is
484 repealed and the following is substituted in lieu thereof (*Effective July*
485 *1, 2002*):

486 (a) The Department of Social Services shall determine the rates to be
487 paid to home health care agencies and homemaker-home health aide
488 agencies by the state or any town in the state for persons aided or
489 cared for by the state or any such town. For the period from February
490 1, 1991, to January 31, 1992, inclusive, payment for each service to the
491 state shall be based upon the rate for such service as determined by the
492 Office of Health Care Access, except that for those providers whose
493 Medicaid rates for the year ending January 31, 1991, exceed the median
494 rate, no increase shall be allowed. For those providers whose rates for
495 the year ending January 31, 1991, are below the median rate, increases
496 shall not exceed the lower of the prior rate increased by the most
497 recent annual increase in the consumer price index for urban
498 consumers or the median rate. In no case shall any such rate exceed the
499 eightieth percentile of rates in effect January 31, 1991, nor shall any rate
500 exceed the charge to the general public for similar services. Rates

501 effective February 1, 1992, shall be based upon rates as determined by
502 the Office of Health Care Access, except that increases shall not exceed
503 the prior year's rate increased by the most recent annual increase in the
504 consumer price index for urban consumers and rates effective
505 February 1, 1992, shall remain in effect through June 30, 1993. Rates
506 effective July 1, 1993, shall be based upon rates as determined by the
507 Office of Health Care Access [pursuant to the provisions of subsection
508 (b) of section 19a-635,] except if the Medicaid rates for any service for
509 the period ending June 30, 1993, exceed the median rate for such
510 service, the increase effective July 1, 1993, shall not exceed one per
511 cent. If the Medicaid rate for any service for the period ending June 30,
512 1993, is below the median rate, the increase effective July 1, 1993, shall
513 not exceed the lower of the prior rate increased by one and one-half
514 times the most recent annual increase in the consumer price index for
515 urban consumers or the median rate plus one per cent. The
516 Commissioner of Social Services shall establish a fee schedule for home
517 health services to be effective on and after July 1, 1994. The
518 commissioner may annually increase any fee in the fee schedule based
519 on an increase in the cost of services. The commissioner shall increase
520 the fee schedule for home health services provided under the
521 Connecticut home-care program for the elderly established under
522 section 17b-342, as amended, effective July 1, 2000, by two per cent
523 over the fee schedule for home health services for the previous year.
524 The commissioner may increase any fee payable to a home health care
525 agency or homemaker-home health aide agency upon the application
526 of such an agency evidencing extraordinary costs related to (1) serving
527 persons with AIDS; (2) high-risk maternal and child health care; (3)
528 escort services; or (4) extended hour services. In no case shall any rate
529 or fee exceed the charge to the general public for similar services. A
530 home health care agency or homemaker-home health aide agency
531 which, due to any material change in circumstances, is aggrieved by a
532 rate determined pursuant to this subsection may, within ten days of
533 receipt of written notice of such rate from the Commissioner of Social
534 Services, request in writing a hearing on all items of aggrievement. The
535 commissioner shall, upon the receipt of all documentation necessary to

536 evaluate the request, determine whether there has been such a change
537 in circumstances and shall conduct a hearing if appropriate. The
538 Commissioner of Social Services shall adopt regulations, in accordance
539 with chapter 54, to implement the provisions of this subsection. The
540 commissioner may implement policies and procedures to carry out the
541 provisions of this subsection while in the process of adopting
542 regulations, provided notice of intent to adopt the regulations is
543 published in the Connecticut Law Journal within twenty days of
544 implementing the policies and procedures. Such policies and
545 procedures shall be valid for not longer than nine months.

546 Sec. 13. Subsection (a) of section 19a-1c of the general statutes, as
547 amended by section 29 of public act 01-163, is repealed and the
548 following is substituted in lieu thereof (*Effective July 1, 2002*):

549 (a) Whenever the words "Commissioner of Public Health and
550 Addiction Services" are used or referred to in the following sections of
551 the general statutes, the words "Commissioner of Public Health" shall
552 be substituted in lieu thereof and whenever the words "Department of
553 Public Health and Addiction Services" are used or referred to in the
554 following sections of the general statutes, the words "Department of
555 Public Health" shall be substituted in lieu thereof: 1-21b, 2-20a, 3-129,
556 4-5, 4-38c, 4-60i, 4-67e, 4a-12, 4a-16, as amended, 4a-51, 5-169, 7-22a, 7-
557 42, as amended, 7-44, as amended, 7-45, as amended, 7-48, as
558 amended, 7-49, 7-51, as amended, 7-52, as amended, 7-53, as amended,
559 7-54, 7-55, 7-59, 7-60, 7-62a, 7-62b, as amended, 7-62c, 7-65, 7-70, as
560 amended, 7-72, 7-73, as amended, 7-74, as amended, 7-127e, 7-504, 7-
561 536, as amended, 8-159a, 8-206d, 8-210, 10-19, 10-71, 10-76d, as
562 amended, 10-203, 10-204a, 10-207, 10-212, as amended, 10-212a, 10-214,
563 10-215d, 10-253, 10-282, as amended, 10-284, 10-292, as amended, 10a-
564 132, 10a-155, 10a-162a, 12-62f, 12-263a, 12-407, as amended, 12-634, 13a-
565 175b, 13a-175ee, 13b-38n, 14-227a, as amended, 14-227c, 15-121, 15-
566 140r, 15-140u, 16-19z, 16-32e, 16-43, as amended, 16-50c, as amended,
567 16-50d, 16-50j, 16-261a, 16-262l, 16-262m, 16-262n, 16-262o, 16-262q,
568 16a-36, 16a-36a, 16a-103, 17-585, 17a-20, 17a-52, 17a-154, 17a-219c, as
569 amended, 17a-220, as amended, 17a-277, as amended, 17a-509, 17a-688,

570 17b-6, 17b-99, 17b-225, 17b-234, 17b-265, 17b-288, 17b-340, as amended,
571 17b-341, 17b-347, 17b-350, 17b-351, 17b-354, as amended, 17b-357, 17b-
572 358, 17b-406, 17b-408, 17b-420, 17b-552, 17b-611, 17b-733, as amended,
573 17b-737, 17b-748, 17b-803, 17b-808, 17b-851a, 19a-1d, 19a-4i, 19a-6, 19a-
574 6a, 19a-7b, as amended, 19a-7c, 19a-7d, as amended, 19a-7e, 19a-7f,
575 19a-7g, 19a-7h, 19a-9, 19a-10, 19a-13, 19a-14, as amended, 19a-14a, 19a-
576 14b, 19a-15, 19a-17, 19a-17a, 19a-17m, 19a-17n, 19a-19, 19a-20, 19a-21,
577 19a-23, 19a-24, 19a-25, 19a-25a, 19a-26, 19a-27, 19a-29, 19a-29a, 19a-30,
578 19a-30a, 19a-32, 19a-32a, 19a-33, 19a-34, 19a-35, 19a-36, 19a-36a, 19a-37,
579 19a-37a, 19a-37b, 19a-40, as amended, 19a-41, as amended, 19a-42, as
580 amended, 19a-43, 19a-44, 19a-45, as amended, 19a-47, 19a-48, 19a-49,
581 19a-50, 19a-51, 19a-52, 19a-53, 19a-54, 19a-55, 19a-56a, 19a-56b, 19a-57,
582 19a-58, 19a-59, 19a-59a, 19a-59b, 19a-59c, 19a-59d, 19a-60, 19a-61, 19a-
583 69, 19a-70, 19a-71, 19a-72, 19a-73, as amended, 19a-74, 19a-75, 19a-76,
584 19a-79, as amended, 19a-80, as amended, 19a-82 to 19a-91, inclusive, as
585 amended, 19a-92a, 19a-93, 19a-94, 19a-94a, 19a-102a, 19a-103, 19a-104,
586 19a-105, 19a-108, 19a-109, 19a-110, 19a-110a, 19a-111, 19a-111a, 19a-
587 111e, 19a-112a, 19a-112b, 19a-112c, 19a-113, 19a-113a, 19a-115, 19a-116,
588 19a-121, 19a-121a, 19a-121b, 19a-121c, 19a-121d, 19a-121e, 19a-121f,
589 19a-122b, 19a-123d, 19a-124, 19a-125, 19a-148, 19a-175, 19a-176, as
590 amended, 19a-178, 19a-179, as amended, 19a-180, 19a-181a, 19a-182,
591 19a-183, 19a-184, 19a-186, 19a-187, 19a-195a, 19a-200, 19a-201, 19a-202,
592 19a-204, 19a-207, 19a-208, 19a-215, 19a-219, 19a-221, 19a-223, 19a-229,
593 19a-241, 19a-242, 19a-243, 19a-244, 19a-245, 19a-250, 19a-252, 19a-253,
594 19a-255, 19a-257, 19a-262, 19a-269, 19a-270, 19a-270a, 19a-279l, 19a-310,
595 19a-311, 19a-312, 19a-313, 19a-320, as amended, 19a-323, 19a-329, 19a-
596 330, 19a-331, 19a-332, 19a-332a, 19a-333, 19a-341, 19a-401, as amended,
597 19a-402, 19a-406, 19a-409, 19a-420, as amended, 19a-421, as amended,
598 19a-422, as amended, 19a-423, as amended, 19a-424, as amended, 19a-
599 425, 19a-426, as amended, 19a-427, 19a-428, as amended, 19a-490, as
600 amended, 19a-490c, 19a-490d, as amended, 19a-490e, 19a-490g, 19a-491,
601 19a-491a, as amended, 19a-491b, as amended, 19a-492, as amended,
602 19a-493, 19a-493a, 19a-494, 19a-494a, 19a-495, as amended, 19a-496, as
603 amended, 19a-497, as amended, 19a-499, as amended, 19a-500, 19a-501,
604 19a-503, 19a-504, as amended, 19a-504c, 19a-505, 19a-506, 19a-507a,

605 19a-507b, 19a-507c, 19a-507d, 19a-508, 19a-509a, 19a-512, 19a-514, 19a-
606 515, 19a-517, 19a-518, 19a-519, 19a-520, 19a-521, 19a-521a, 19a-523, 19a-
607 524, 19a-526, 19a-527, 19a-528, as amended, 19a-530, 19a-531, 19a-533,
608 19a-534a, as amended, 19a-535, 19a-535a, 19a-536, 19a-537, as
609 amended, 19a-538, 19a-540, 19a-542, 19a-547, 19a-550, as amended, 19a-
610 551, 19a-554, 19a-581, 19a-582, 19a-584, 19a-586, 19a-630, 19a-631, 19a-
611 634, 19a-637, 19a-638, 19a-639, 19a-645, 19a-646, as amended by this act,
612 19a-663, 19a-673, [19a-675,] 20-8, 20-8a, 20-9, 20-10, 20-11, 20-11a, 20-
613 11b, 20-12, 20-12a, 20-13, 20-13a, 20-13b, 20-13d, 20-13e, 20-14, 20-14j,
614 20-27, 20-28a, 20-28b, 20-29, 20-37, 20-39a, 20-40, 20-45, 20-54, 20-55, 20-
615 57, 20-58a, 20-59, 20-66, 20-68, 20-70, 20-71, 20-73, 20-73a, 20-74, 20-74a,
616 20-74i, 20-74aa, 20-74dd, 20-86b, 20-86c, 20-86d, 20-86f, 20-86h, 20-90,
617 20-92, 20-93, 20-94, 20-94a, 20-96, 20-97, 20-99, 20-99a, 20-101a, 20-102aa
618 to 20-102ee, inclusive, 20-103a, 20-106, 20-107, 20-108, 20-109, 20-110,
619 20-114, 20-122a, 20-122b, 20-122c, 20-123a, 20-126b, 20-126h, 20-126j, 20-
620 126k, 20-126l, as amended, 20-126o, 20-126p, 20-126q, 20-126r, 20-126u,
621 20-127, 20-128a, 20-129, 20-130, 20-133, 20-138a, 20-138c, 20-139a, 20-
622 140a, 20-141, 20-143, 20-146, 20-146a, 20-149, 20-153, 20-154, 20-162n,
623 20-162p, 20-188, 20-189, 20-190, as amended, 20-192, 20-193, 20-195a,
624 20-195m, 20-195p, 20-196, 20-198, 20-199, 20-200, 20-202, 20-206, 20-
625 206a, 20-206m, 20-206p, 20-207, 20-211, 20-212, 20-213, 20-214, 20-217,
626 20-218, 20-220, 20-221, 20-222, 20-222a, 20-223, 20-224, 20-226, 20-227,
627 20-228, 20-229, 20-231, 20-235a, 20-236, 20-238, 20-241, as amended, 20-
628 242, 20-243, 20-247, 20-250, as amended, 20-252, as amended, 20-252a,
629 20-255a, 20-256, 20-258, as amended, 20-262, 20-263, as amended, 20-
630 267, as amended, 20-268, as amended, 20-269, as amended, 20-271, as
631 amended, 20-272, 20-341d, 20-341e, 20-341f, 20-341g, 20-341m, 20-358,
632 20-361, 20-365, 20-396, 20-402, 20-404, 20-406, 20-408, 20-416, 20-474 to
633 20-476, inclusive, 20-571, 20-578, 21-7, 21a-11, 21a-86a, 21a-86c, 21a-116,
634 21a-138, 21a-150, 21a-150a, 21a-150b, 21a-150c, 21a-150d, 21a-150f, 21a-
635 150j, 21a-240, 21a-249, 21a-260, 21a-274, 21a-283, 22-6f, 22-6g, 22-6i, 22-
636 131, 22-150, 22-152, 22-165, 22-332b, 22-344, as amended, 22-358, 22a-29,
637 22a-54, 22a-65, 22a-66a, 22a-66l, 22a-66z, 22a-115, 22a-119, 22a-134g,
638 22a-134bb, 22a-137, 22a-163a, 22a-163i, 22a-176, 22a-191, 22a-192, 22a-
639 208q, 22a-231, 22a-240, 22a-240a, 22a-295, 22a-300, 22a-308, 22a-337,

640 22a-352, 22a-354i, 22a-354k, 22a-354w, 22a-354x, 22a-354aa, 22a-355,
641 22a-356, 22a-358, 22a-361, 22a-363b, as amended, 22a-371, 22a-378, 22a-
642 423, 22a-424, 22a-426, 22a-430, 22a-434a, 22a-449i, 22a-471, 22a-474, 22a-
643 601, 25-32, as amended, 25-32b, 25-32c, 25-32d, 25-32e, as amended, 25-
644 32f, 25-32g, as amended, 25-32h, 25-32i, 25-32k, as amended, 25-32l, 25-
645 33, 25-33a, 25-33c, 25-33d, 25-33e, 25-33f, 25-33g, 25-33h, 25-33i, 25-33j,
646 25-33k, 25-33l, 25-33n, 25-34, 25-35, 25-36, as amended, 25-37a, 25-37b,
647 25-37c, 25-37d, 25-37e, 25-37f, 25-37g, 25-39a, 25-39b, 25-39c, 25-40, 25-
648 43b, 25-43c, 25-46, 25-49, 25-102gg, 25-128, 25-129, 25-137, 26-22, 26-119,
649 26-141b, 26-192a, 26-192b, 26-192c, 26-192e, 26-236, 27-140aa, 31-23, 31-
650 40u, 31-51u, 31-101, 31-106, 31-111a, 31-111b, 31-121a, 31-222, as
651 amended, 31-374, 31-397, 31-398, 31-400, 31-401, 31-402, 31-403, 32-23x,
652 38a-180, 38a-199, 38a-214, 38a-514, 38a-583, 45a-743, 45a-745, 45a-749,
653 45a-750, as amended, 45a-757, 46a-28, 46a-126, 46b-26, 46b-172a, 47a-
654 52, 52-146f, 52-146k, 52-473a, 52-557b, as amended, 53-332, 54-102a, 54-
655 102b, 54-142k, 54-203.

656 Sec. 14. Subsection (a) of section 19a-612c of the general statutes is
657 repealed and the following is substituted in lieu thereof (*Effective July*
658 *1, 2002*):

659 (a) On and after July 1, 1995, wherever the word "commission" is
660 used or referred to in the following sections of the general statutes, the
661 word "office" shall be substituted in lieu thereof and whenever the
662 words "Commission on Hospitals and Health Care" are used or
663 referred to in the following sections of the general statutes, the words
664 "Office of Health Care Access" shall be substituted in lieu thereof: 1-84,
665 1-84b, 12-263a, 17a-678, 17b-234, 17b-240, 17b-352, 17b-353, 17b-356,
666 19a-499, 19a-507, 19a-509b, 19a-535b, 19a-633, [19a-635, 19a-636,] 19a-
667 638 to 19a-650, inclusive, 19a-653, 19a-654, [19a-660 to] 19a-661, 19a-
668 662, [inclusive,] 19a-669 to 19a-671, inclusive, as amended by this act,
669 [19a-674 to 19a-679, inclusive] 19a-676, 19a-677 and 19a-679.

670 Sec. 15. Section 19a-637 of the general statutes is repealed and the
671 following is substituted in lieu thereof (*Effective July 1, 2002*):

672 (a) In any of its deliberations involving a proposal, request or
673 submission regarding rates or services by a health care facility or
674 institution, the office shall take into consideration and make written
675 findings concerning each of the following principles and guidelines:
676 The relationship of the proposal, request or submission to the state
677 health plan; the relationship of the proposal, request or submission to
678 the applicant's long-range plan; the financial feasibility of the proposal,
679 request or submission and its impact on the applicant's rates and
680 financial condition; the impact of such proposal, request or submission
681 on the interests of consumers of health care services and the payers for
682 such services; the contribution of such proposal, request or submission
683 to the quality, accessibility and cost-effectiveness of health care
684 delivery in the region; whether there is a clear public need for any
685 proposal or request; whether the health care facility or institution is
686 competent to provide efficient and adequate service to the public in
687 that such health care facility or institution is technically, financially
688 and managerially expert and efficient; that rates be sufficient to allow
689 the health care facility or institution to cover its reasonable capital and
690 operating costs; the relationship of any proposed change to the
691 applicant's current utilization statistics; the teaching and research
692 responsibilities of the applicant; the special characteristics of the
693 patient-physician mix of the applicant; the voluntary efforts of the
694 applicant in improving productivity and containing costs; and any
695 other factors which the office deems relevant, including, in the case of
696 a facility or institution as defined in subsection (c) of section 19a-490,
697 such factors as, but not limited to, the business interests of all owners,
698 partners, associates, incorporators, directors, sponsors, stockholders
699 and operators and the personal backgrounds of such persons.
700 Whenever the granting, modification or denial of a request is
701 inconsistent with the state health plan, a written explanation of the
702 reasons for the inconsistency shall be included in the decision.

703 (b) Any data submitted to or obtained or compiled by the office
704 with respect to its deliberations under sections [19a-635] 19a-637 to
705 19a-640, inclusive, with respect to nursing homes, licensed under

706 chapter 368v, shall be made available to the Department of Public
707 Health.

708 (c) Notwithstanding the provisions of subsection (a) of this section,
709 the office in its deliberations under section [19a-635, 19a-636 or] 19a-
710 640, shall not direct or control the use of the following resources of the
711 hospital concerned: The principal and all income from restricted and
712 unrestricted grants, gifts, contributions, bequests and endowments.

713 Sec. 16. Section 19a-656 of the general statutes is repealed and the
714 following is substituted in lieu thereof (*Effective July 1, 2002*):

715 (a) For the fiscal year commencing October 1, 1991, the compliance
716 assessment to be applied in the year commencing October 1, 1993, shall
717 be calculated as follows:

718 (1) Subtract the authorized net revenue per equivalent discharge for
719 the hospital from the actual net revenue per equivalent discharge for
720 the hospital plus any discounts provided by the hospital pursuant to
721 subsection (c) of section 19a-646, as amended by this act.

722 (2) Multiply the result of subdivision (1) of this subsection by the
723 actual number of equivalent discharges. If the result is positive, it is the
724 net revenue compliance adjustment, otherwise the net revenue
725 compliance adjustment is zero.

726 (3) Multiply the result of subdivision (2) of this subsection by the
727 ratio of authorized gross revenue prior to any uncompensated care
728 pool adjustment to authorized net revenue for the year commencing
729 October 1, 1991. The result shall be the gross revenue compliance
730 adjustment.

731 (4) The total amount of the net revenue compliance adjustment
732 calculated in subdivision (2) of this subsection shall be applied in the
733 fiscal year commencing October 1, 1993, except that if the result of
734 subdivision (2) of this subsection is greater than three and one-fourth
735 per cent of the authorized net revenue for the fiscal year commencing

736 October 1, 1992, the amount of net revenue compliance to be taken in
737 the fiscal year commencing October 1, 1993, shall be three and one-
738 fourth per cent of the authorized net revenue for the fiscal year
739 commencing October 1, 1992.

740 (5) The total amount of the gross revenue compliance adjustment
741 calculated in subdivision (3) of this subsection shall be applied in the
742 fiscal year commencing October 1, 1993, except that if the result of
743 subdivision (3) of this subsection is greater than four and one-fourth
744 per cent of the authorized gross revenue for the fiscal year
745 commencing October 1, 1992, the amount of gross revenue compliance
746 to be taken in the fiscal year commencing October 1, 1993, shall be four
747 and one-fourth per cent of the authorized gross revenue for the fiscal
748 year commencing October 1, 1992.

749 (b) Any net or gross revenue compliance determined for the year
750 commencing October 1, 1991, pursuant to section 19a-167g-82 of the
751 regulations of Connecticut state agencies, as amended from time to
752 time, which is not assessed pursuant to subdivisions (4) and (5) of
753 subsection (a) of this section shall be forgiven by the office.

754 (c) The balance of the compliance adjustments calculated by the
755 office for the fiscal year commencing October 1, 1989, but not assessed
756 shall be forgiven by the office.

757 [(d) The compliance adjusted net revenue, prior to the
758 uncompensated care pool adjustments, for the year commencing
759 October 1, 1993, shall be the result of subdivision (4) of section 19a-655
760 less the net revenue compliance adjustment to be assessed in the fiscal
761 year commencing October 1, 1993, calculated in subdivision (4) of
762 subsection (a) of this section if such compliance adjustment is a
763 positive number. The compliance adjusted net revenue cap for the year
764 commencing October 1, 1993, shall be the compliance adjusted net
765 revenue divided by the authorized equivalent discharges for the fiscal
766 year commencing October 1, 1993.

767 (e) The compliance adjusted gross revenue, prior to the

768 uncompensated care pool adjustments, for the year commencing
769 October 1, 1993, shall be the result of subdivision (5) of section 19a-655
770 less the gross revenue compliance adjustment to be assessed in the
771 fiscal year commencing October 1, 1993, calculated in subdivision (5)
772 of subsection (a) of this section if such compliance adjustment is a
773 positive number. The compliance adjusted gross revenue cap prior to
774 the uncompensated care pool adjustments for the year commencing
775 October 1, 1993, shall be the compliance adjusted gross revenue prior
776 to the uncompensated care pool adjustments divided by the
777 authorized equivalent discharges for the fiscal year commencing
778 October 1, 1993.]

779 Sec. 17. Section 19a-657 of the general statutes is repealed and the
780 following is substituted in lieu thereof (*Effective July 1, 2002*):

781 (a) A hospital may request an adjustment to its authorized net and
782 gross revenue and authorized equivalent discharges for the fiscal year
783 commencing October 1, 1993, calculated pursuant to [sections 19a-655
784 and 19a-656] section 19a-656, as amended by this act, if it has a
785 certificate of need project which was approved on or before April 26,
786 1993, which has not already been included in the authorized revenue
787 of the hospital and for which the hospital's certificate of need approval
788 decision indicated that the hospital may request such an adjustment. If
789 there is an agreed upon adjustment, that adjustment shall be made.
790 Any request for recognition of incremental expenses or revenues
791 pursuant to this section shall be received in writing within ten business
792 days following the receipt by the hospital of its authorized revenue
793 caps determined pursuant to [sections 19a-655 and 19a-656] section
794 19a-656, as amended by this act. The hospital shall provide such data
795 and support for its request as shall be required by the office, including,
796 but not limited to, the incremental costs and volumes associated with
797 the project. The office may approve, modify or deny such request.

798 (b) A hospital may request an adjustment to its authorized gross
799 revenue for the fiscal year commencing October 1, 1993, to recognize
800 additional gross revenue requirements resulting from a change in the

801 wage index due to a Medicare geographic wage index reclassification
802 into urban New York received for the fiscal year commencing October
803 1, 1992, but not for the fiscal year commencing October 1, 1993,
804 provided:

805 (1) The failure to obtain a favorable reclassification for the year
806 commencing October 1, 1993, shall not be due to the failure of the
807 hospital to request such reclassification in a timely manner, except
808 where the reclassification was made in error;

809 (2) The hospital's request has been denied;

810 (3) The requested incremental gross revenue adjustment for the
811 fiscal year commencing October 1, 1993, shall not exceed the amount of
812 incremental gross revenue the hospital would have received in its
813 authorization for the fiscal year commencing October 1, 1992, after
814 compliance and prior to any uncompensated care pool adjustments, if
815 the hospital had not been granted a change in the Medicare wage
816 index due to geographic reclassification times 1.0425;

817 (4) Any hospital requesting an adjustment under this subsection
818 shall file at the office documentation and data which demonstrates
819 qualifications under and compliance with subdivisions (1) to (3),
820 inclusive, of this subsection, within ten business days following receipt
821 by the hospital of its authorized revenue caps determined in
822 accordance with [sections 19a-655 and 19a-656] section 19a-656, as
823 amended by this act. The office may approve, modify or deny a
824 hospital's request under this section.

825 Sec. 18. Subsection (a) of section 19a-658 of the general statutes is
826 repealed and the following is substituted in lieu thereof (*Effective July*
827 *1, 2002*):

828 (a) Any hospital may, in accordance with this section and [sections
829 19a-655 to 19a-657, inclusive, 19a-664 and 19a-665,] sections 19a-656
830 and 19a-657, as amended by this act, request a one-time adjustment to
831 its pricemaster in its budget request for the fiscal year commencing

832 October 1, 1993. Such hospital shall submit the actual data required by
 833 the office for such adjustment on a computer disk in a format to be
 834 specified by the office as follows: (1) A description of the applicable
 835 units and the number of inpatient and outpatient units for each item
 836 on its pricemaster; (2) the price or charges, including a description and
 837 item code number, for each item in its pricemaster and the time period
 838 or volume for which each price was applicable; (3) the total gross
 839 revenue for each item in its pricemaster; (4) the number of discharges;
 840 (5) the number of governmental and nongovernmental units for each
 841 item in the pricemaster.

842 Sec. 19. (*Effective July 1, 2002*) Sections 19a-635, 19a-636, 19a-655, 19a-
 843 660, 19a-664, 19a-665, 19a-674, 19a-675, 19a-676a, 19a-678 and 19a-680
 844 of the general statutes are repealed.

This act shall take effect as follows:	
Section 1	<i>July 1, 2002</i>
Sec. 2	<i>July 1, 2002</i>
Sec. 3	<i>July 1, 2002</i>
Sec. 4	<i>July 1, 2002</i>
Sec. 5	<i>July 1, 2002</i>
Sec. 6	<i>July 1, 2002</i>
Sec. 7	<i>July 1, 2002</i>
Sec. 8	<i>July 1, 2002</i>
Sec. 9	<i>July 1, 2002</i>
Sec. 10	<i>July 1, 2002</i>
Sec. 11	<i>July 1, 2002</i>
Sec. 12	<i>July 1, 2002</i>
Sec. 13	<i>July 1, 2002</i>
Sec. 14	<i>July 1, 2002</i>
Sec. 15	<i>July 1, 2002</i>
Sec. 16	<i>July 1, 2002</i>
Sec. 17	<i>July 1, 2002</i>
Sec. 18	<i>July 1, 2002</i>
Sec. 19	<i>July 1, 2002</i>

PH *Joint Favorable Subst.*

