General Assembly **Substitute Bill No. 6454**

January Session, 2003

AN ACT REPEALING CERTAIN STATUTES REGARDING HOSPITALS.

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

Section 1. Section 19a-637 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) In any of its deliberations involving a proposal, request or submission regarding rates or services by a health care facility or institution, the office shall take into consideration and make written findings concerning each of the following principles and guidelines: The relationship of the proposal, request or submission to the state health plan; the relationship of the proposal, request or submission to the applicant's long-range plan; the financial feasibility of the proposal, request or submission and its impact on the applicant's rates and financial condition; the impact of such proposal, request or submission on the interests of consumers of health care services and the payers for such services; the contribution of such proposal, request or submission to the quality, accessibility and cost-effectiveness of health care delivery in the region; whether there is a clear public need for any proposal or request; whether the health care facility or institution is competent to provide efficient and adequate service to the public in that such health care facility or institution is technically, financially and managerially expert and efficient; that rates be sufficient to allow the health care facility or institution to cover its reasonable capital and operating costs; the relationship of any proposed change to the

applicant's current utilization statistics; the teaching and research responsibilities of the applicant; the special characteristics of the patient-physician mix of the applicant; the voluntary efforts of the applicant in improving productivity and containing costs; and any other factors which the office deems relevant, including, in the case of a facility or institution as defined in subsection (c) of section 19a-490, such factors as, but not limited to, the business interests of all owners, partners, associates, incorporators, directors, sponsors, stockholders and operators and the personal backgrounds of such persons. Whenever the granting, modification or denial of a request is inconsistent with the state health plan, a written explanation of the reasons for the inconsistency shall be included in the decision.

(b) Any data submitted to or obtained or compiled by the office with respect to its deliberations under sections 19a-637 to **[**19a-640**]** 19a-639e, inclusive, with respect to nursing homes, licensed under chapter 368v, shall be made available to the Department of Public Health.

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

Sec. 2. Section 19a-641 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Any health care facility or institution and any state health care facility or institution aggrieved by any final decision of said office under the provisions of sections 19a-630 to **[**19a-640**]** 19a-639e, inclusive, or section 19a-648 or 19a-650, may appeal therefrom in accordance with the provisions of section 4-183, except venue shall be in the judicial district in which it is located. Such appeal shall have precedence in respect to order of trial over all other cases except writs of habeas corpus, actions brought by or on behalf of the state,

including informations on the relation of private individuals, and appeals from awards or decisions of workers' compensation commissioners.

Sec. 3. Subsection (a) of section 19a-643 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The office shall adopt regulations, in accordance with the provisions of chapter 54, to carry out the provisions of sections 19a-630 to **[**19a-640**]** 19a-639e, inclusive, and sections 19a-644, 19a-645 and 19a-648, concerning the submission of data by health care facilities and institutions, including data on dealings between health care facilities and institutions and their affiliates, and, with regard to requests or proposals pursuant to sections 19a-638 and 19a-639, by state health care facilities and institutions, the ongoing inspections by the office of operating budgets of health care facilities and institutions, **[**after their approval,**]** standard reporting forms and standard accounting procedures to be utilized by health care facilities and institutions and the transferability of line items in the **[**approved**]** operating budgets of the health care facilities and institutions, except that any health care facility or institution may transfer any amounts among items in its operating budget. **[**, provided such facility or institution is not exceeding and will not exceed its overall operating budget.**]** All such transfers shall be reported to the office within thirty days of the transfer or transfers.

Sec. 4. Section 19a-645 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

A nonprofit hospital, licensed by the Department of Public Health, which provides lodging, care and treatment to members of the public, and which wishes to enlarge its public facilities by adding contiguous land and buildings thereon, if any, the title to which it cannot otherwise acquire, may prefer a complaint for the right to take such land to the superior court for the judicial district in which such land is

86 located, provided such hospital shall have received the approval of the
87 Office of Health Care Access under section 19a-639. **[**or 19a-640.**]** Said
88 court shall appoint a committee of three disinterested persons, who,
89 after examining the premises and hearing the parties, shall report to
90 the court as to the necessity and propriety of such enlargement and as
91 to the quantity, boundaries and value of the land and buildings
92 thereon, if any, which they deem proper to be taken for such purpose
93 and the damages resulting from such taking. If such committee reports
94 that such enlargement is necessary and proper and the court accepts
95 such report, the decision of said court thereon shall have the effect of a
96 judgment and execution may be issued thereon accordingly, in favor of
97 the person to whom damages may be assessed, for the amount thereof;
98 and, on payment thereof, the title to the land and buildings thereon, if
99 any, for such purpose shall be vested in the complainant, but such land
100 and buildings thereon, if any, shall not be taken until such damages
101 are paid to such owner or deposited with said court, for such owner's
102 use, within thirty days after such report is accepted. If such application
103 is denied, the owner of the land shall recover costs of the applicant, to
104 be taxed by said court, which may issue execution therefor. Land so
105 taken shall be held by such hospital and used only for the public
106 purpose stated in its complaint to the superior court. No land
107 dedicated or otherwise reserved as open space or park land or for
108 other recreational purposes and no land belonging to any town, city or
109 borough shall be taken under the provisions of this section.

110 Sec. 5. (*Effective from passage*) Sections 19a-640 and 19a-682 of the
111 general statutes are repealed.

This act shall take effect as follows:	
Section 1	*from passage*
Sec. 2	*from passage*
Sec. 3	*from passage*
Sec. 4	*from passage*
Sec. 5	*from passage*

PH *Joint Favorable Subst.*