



General Assembly

January Session, 2003

**Amendment**

LCO No. 7323

\*SB0115007323SD0\*

Offered by:

SEN. MURPHY, 16<sup>th</sup> Dist.

To: Subst. Senate Bill No. 1150

File No. 541

Cal. No. 337

**"AN ACT CONCERNING A DEMONSTRATION PROJECT FOR  
LONG-TERM ACUTE CARE GENERAL HOSPITALS."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective October 1, 2003*) (a) For purposes of this  
4 section:

5 (1) "Chronic disease hospital" means a nonprofit facility licensed as  
6 a chronic disease hospital by the Department of Public Health on or  
7 before January 1, 2003; and

8 (2) "Satellite facility" means a long-term acute care facility operated  
9 as part of a long-term acute care hospital under the provisions of Title  
10 XVIII of the Social Security Act.

11 (b) The Office of Health Care Access, in consultation with the  
12 Departments of Public Health and Social Services, may authorize up to  
13 four demonstration projects allowing chronic disease hospitals to

14 establish and operate new long term acute care hospitals or satellite  
15 facilities. The purpose of such demonstration projects is to study the  
16 quality of service, patient outcomes and cost-effectiveness resulting  
17 from the use of such hospitals or facilities. Such hospitals or facilities  
18 operated pursuant to such demonstration projects shall serve patients  
19 who require long-term hospitalization in an acute care setting, need  
20 twenty-four hour on-site physician availability and are not suitable for  
21 placement in a skilled nursing facility. New long-term acute care  
22 hospitals and satellite facilities may be eligible for operation as such  
23 projects if they are (1) located within a licensed short term acute care  
24 general or children's hospital, (2) under the common ownership and  
25 control of a chronic disease hospital, and (3) currently are, or become  
26 certified for, Medicare participation as a long-term acute care hospital  
27 under Title XVIII of the Social Security Act.

28 (c) In connection with the demonstration projects authorized under  
29 this section, the Commissioner of Public Health may, in the  
30 commissioner's discretion, waive licensure and other regulatory  
31 requirements otherwise applicable to chronic disease hospitals for new  
32 long-term acute care hospitals or satellite facilities. It shall not be  
33 necessary for the Department of Public Health to adopt or amend  
34 regulations for purposes of the demonstration projects authorized by  
35 this section.

36 (d) Not later than January 1, 2005, a chronic disease hospital may  
37 apply to the office for a certificate of need to conduct a demonstration  
38 project. Each demonstration project authorized by the office pursuant  
39 to this section shall collect and report on data concerning the  
40 demonstration project's impact on the quality of service and patient  
41 outcomes and cost-effectiveness. Such data shall be reported in the  
42 manner prescribed by said commissioner, and shall include (1) length  
43 of stay, (2) number of intensive care days per patient, (3) cost of stay,  
44 (4) type of discharge, and (5) any other data requested by the  
45 Commissioner of Health Care Access.

46 (e) Not later than January 1, 2007, the Office of Health Care Access,

47 in consultation with the Departments of Public Health and Social  
 48 Services, shall report, in accordance with section 11-4a of the general  
 49 statutes, to the joint standing committees of the General Assembly  
 50 having cognizance of matters relating to public health and human  
 51 services concerning findings and recommendations regarding the  
 52 demonstration projects authorized pursuant to this section.

53       Sec. 2. (NEW) (*Effective October 1, 2003*) Payments made to hospitals  
 54 pursuant to subsection (g) of section 17b-239 of the general statutes,  
 55 shall include any inpatient service days provided in a new long-term  
 56 acute care hospital or satellite facility established as a demonstration  
 57 project pursuant to section 1 of this act. For the purposes of rate setting  
 58 and cost per discharge settlement pursuant to said subsection (g), the  
 59 inpatient stay of a patient eligible for medical assistance shall include  
 60 both short-term and long-term acute care hospital days provided in a  
 61 new long-term acute care hospital or satellite facility established as a  
 62 demonstration project pursuant to section 1 of this act.  
 63 Notwithstanding any provision of the general statutes, a short-term  
 64 acute care hospital may enter into an agreement with a chronic disease  
 65 hospital that establishes a new long-term acute care hospital or satellite  
 66 facility as a demonstration project pursuant to section 1 of this act, to  
 67 distribute payments received under section 17b-239 of the general  
 68 statutes for services provided by such long-term acute care hospital or  
 69 satellite facility."

This act shall take effect as follows:	
Section 1	<i>October 1, 2003</i>
Sec. 2	<i>October 1, 2003</i>