



General Assembly

Substitute Bill No. 565

February Session, 2004

* SB00565PH 031804 *

AN ACT CONCERNING A NURSING FACILITY USER FEE.

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

1 Section 1. (NEW) (*Effective from passage*) (a) For purposes of this
2 section, a "nursing facility" means a chronic and convalescent nursing
3 home or rest home with nursing supervision licensed by the
4 Department of Public Health.

5 (b) The Department of Social Services shall assess a user fee of
6 fourteen dollars per patient day on the revenues of each nursing
7 facility that is not exempt pursuant to subsection (e) of this section.
8 Patient days shall include all days for patients who are paying
9 privately or whose care is paid for by private insurance or by the
10 Medicaid program, but does not include days for patients whose care
11 is covered by Medicare. The cost of the user fee shall be an allowable
12 cost for the purpose of Medicaid reimbursement.

13 (c) Notwithstanding the provisions of subdivision (4) of subsection
14 (f) of section 17-340 of the general statutes, as amended, and in
15 conformance with the requirements of subsection (a) of section 17b-340
16 of the general statutes, as amended, all amounts collected by the
17 department pursuant to this section and all federal matching funds for
18 such amounts, shall be used solely to promote the well-being of the
19 residents of nursing facilities, improve working conditions for staff
20 and protect the financial stability of nursing facilities through

21 increased reimbursement to nursing facilities, as follows:

22 (1) Rebasing of nursing facility costs to the cost year ending
23 September 30, 2003;

24 (2) Efficiency incentives to reward cost-effective facilities;

25 (3) Enhanced wages and benefits to enable nursing facilities to
26 attract and retain qualified staff or to increase staff; and

27 (4) An annual inflation adjustment equal to the actual inflation of
28 costs for nursing facilities.

29 (d) The department shall publish an annual accounting of funds
30 received under this user fee program, the amount of federal matching
31 funds associated with the user fee and the ways in which these funds
32 were utilized to improve the adequacy of payments to nursing
33 facilities.

34 (e) On or before October 1, 2004, the Commissioner of Social
35 Services shall request approval from the Centers for Medicare and
36 Medicaid Services for a waiver of federal requirements for broad-
37 based user fees, to exempt certain nursing facilities. The waiver request
38 shall comply with the requirements of 42 CFR 433.68(e).

This act shall take effect as follows:	
Section 1	<i>from passage</i>

PH *Joint Favorable Subst.*