



General Assembly

February Session, 2004

Amendment

LCO No. 4866

SB0056204866SD0

Offered by:

SEN. MURPHY, 16th Dist.

To: Subst. Senate Bill No. 562

File No. 657

Cal. No. 334

"AN ACT CONCERNING THE CONVERSION OF NONPROFIT HOSPITALS."

1 Strike lines 1 to 72, inclusive, in their entirety, and insert the
2 following in lieu thereof:

3 "Section 1. Subsection (c) of section 19a-644 of the general statutes,
4 as amended by section 76 of public act 03-278, is repealed and the
5 following is substituted in lieu thereof (*Effective July 1, 2004*):

6 (a) On or before February twenty-eighth annually, for the fiscal year
7 ending on September thirtieth of the immediately preceding year, each
8 short-term acute care general or children's hospital shall report to the
9 office with respect to its operations in such fiscal year, in such form as
10 the office may by regulation require. Such report shall include: (1)
11 Average salaries in each department of administrative personnel,
12 supervisory personnel and direct service personnel by job
13 classification; (2) salaries and fringe benefits for the ten highest paid
14 positions; (3) the name of each joint venture, partnership, subsidiary
15 and corporation related to the hospital; and (4) the salaries paid to

16 hospital employees by each such joint venture, partnership, subsidiary
17 and related corporation and by the hospital to the employees of related
18 corporations. In addition, such report may, at the discretion of the
19 office, include a breakdown of hospital and department budgets by
20 administrative, supervisory and direct service categories, by total
21 dollars, by full-time equivalent staff or any combination thereof, which
22 the office may request at any time of the year, provided the office gives
23 the hospital at least thirty days from the date of the request to provide
24 the information.

25 (b) The office shall adopt regulations in accordance with chapter 54
26 to provide for the collection of data and information in addition to the
27 annual report required in subsection (a) of this section. Such
28 regulations shall provide for the submission of information about the
29 operations of the following entities: Persons or parent corporations
30 that own or control the health care facility, institution or provider;
31 corporations, including limited liability corporations, in which the
32 health care facility, institution, provider, its parent, any type of affiliate
33 or any combination thereof, owns more than an aggregate of fifty per
34 cent of the stock or, in the case of nonstock corporations, is the sole
35 member; and any partnerships in which the person, health care facility,
36 institution, provider, its parent or an affiliate or any combination
37 thereof, or any combination of health care providers or related persons,
38 owns a greater than fifty per cent interest. For purposes of this section,
39 "affiliate" means any person that directly or indirectly through one or
40 more intermediaries, controls or is controlled by or is under common
41 control with any health care facility, institution, provider or person
42 that is regulated in any way under this chapter. A person is deemed
43 controlled by another person if the other person, or one of that other
44 person's affiliates, officers, agents or management employees, acts as a
45 general partner or manager of the person in question.

46 (c) Each nonprofit short-term acute care general or children's
47 hospital shall include in the annual report required pursuant to
48 subsection (a) of this section a report of all transfers of assets, transfers
49 of operations or changes of control involving its clinical or nonclinical

50 services or functions from such hospital to a person or entity organized
51 or operated for profit.

52 [(c)] (d) The Office of Health Care Access shall require each hospital
53 licensed by the Department of Public Health, that is not subject to the
54 provisions of subsection (a) of this section, to report to said office on its
55 operations in the preceding fiscal year by filing copies of the hospital's
56 audited financial statements. Such report shall be due at said office on
57 or before the close of business on the last business day of the fifth
58 month following the month in which a hospital's fiscal year ends."

59 In line 113, strike the brackets around "or"

60 In line 113, strike "the transaction,"

61 Strike lines 114 to 117, inclusive, in their entirety