



**Substitute Senate Bill No. 1145**

**Public Act No. 05-151**

**AN ACT CONCERNING REVISIONS TO THE OFFICE OF HEALTH CARE ACCESS STATUTES.**

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

Section 1. Section 19a-613 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(a) The Office of Health Care Access may employ the most effective and practical means necessary to fulfill the purposes of this chapter, which may include, but need not be limited to:

(1) Collecting patient-level outpatient data from health care facilities or institutions, as defined in section 19a-630;

(2) Establishing a cooperative data collection effort, across public and private sectors, to assure that adequate health care personnel demographics are readily available; and

(3) Performing the duties and functions as enumerated in subsection (b) of this section.

(b) The office shall: (1) Authorize and oversee the collection of data required to carry out the provisions of this chapter; (2) oversee and coordinate health system planning for the state; (3) monitor health care

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costs; and (4) implement and oversee health care reform as enacted by the General Assembly.

(c) The Commissioner of Health Care Access or any person the commissioner designates may conduct a hearing and render a final decision in any case when a hearing is required or authorized under the provisions of any statute dealing with the Office of Health Care Access.

[(d) The office shall monitor graduate medical education and its sources of funding and shall annually (1) review the financial implications of such education for hospitals, and (2) evaluate the effect of such education on (A) access to health care, and (B) sufficiency of the health care provider workforce. The office shall create an advisory council to advise the commissioner on graduate medical education. For purposes of this subsection, "graduate medical education" means the formal clinical education and training of a physician or other health care provider that follows graduation from medical school and prepares the physician or health care provider for licensure and practice.

(e) Not later than January 1, 2000, and annually thereafter, the office shall submit a report on its findings and recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to public health, in accordance with the provisions of section 11-4a.]

Sec. 2. Subsection (c) of section 19a-493b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(c) Notwithstanding the provisions of this section, no outpatient surgical facility shall be required to comply with section [19a-617a,] 19a-631, 19a-632, 19a-637a, 19a-644, 19a-645, 19a-646, 19a-648, 19a-649,

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19a-650, 19a-652, or 19a-654 to 19a-683, inclusive. Each outpatient surgical facility shall continue to be subject to the obligations and requirements applicable to such facility, including, but not limited to, any applicable provision of this chapter and those provisions of chapter 368z not specified in this subsection, except that a request for permission to undertake a transfer or change of ownership or control shall not be required pursuant to subsection (a) of section 19a-638 if the Office of Health Care Access determines that the following conditions are satisfied: (1) Prior to any such transfer or change of ownership or control, the outpatient surgical facility shall be owned and controlled exclusively by persons licensed pursuant to section 20-13, either directly or through a limited liability company, formed pursuant to chapter 613, a corporation, formed pursuant to chapters 601 and 602, or a limited liability partnership, formed pursuant to chapter 614, that is exclusively owned by persons licensed pursuant to section 20-13, or is under the interim control of an estate executor or conservator pending transfer of an ownership interest or control to a person licensed under section 20-13, and (2) after any such transfer or change of ownership or control, persons licensed pursuant to section 20-13, a limited liability company, formed pursuant to chapter 613, a corporation, formed pursuant to chapters 601 and 602, or a limited liability partnership, formed pursuant to chapter 614, that is exclusively owned by persons licensed pursuant to section 20-13, shall own and control no less than a sixty per cent interest in the outpatient surgical facility.

Sec. 3. Subsections (b) and (c) of section 19a-637 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(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, as amended by this act, with respect to nursing

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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] any hospital; [concerned:] The principal and all income from restricted and unrestricted grants, gifts, contributions, bequests and endowments.

Sec. 4. Subsection (e) of section 19a-639 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(e) Notwithstanding the provisions of section 19a-638, subsection (a) of section 19a-639a or subsection (a) of this section, no school-based health care center shall be subject to the provisions of section 19a-638 or subsection (a) of this section if the center: (1) Is or will be licensed by the Department of Public Health as an outpatient clinic; (2) [has been approved by the Department of Public Health as meeting its standard model for comprehensive school-based health centers; (3)] proposes capital expenditures not exceeding one million dollars and does not exceed such amount; [(4)] (3) once operational, continues to operate and provide services in accordance with the department's [standard model] licensing standards for comprehensive school-based health centers; and [(5)] (4) is or will be located entirely on the property of a functioning school.

Sec. 5. Subsection (b) of section 19a-639a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(b) Each health care facility or institution exempted under this section shall register with the office by filing the information required by subdivision (4) of subsection (a) of section 19a-638 for a letter of

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intent at least ten business days but not more than sixty calendar days prior to commencing operations and prior to changing, expanding, terminating or relocating any facility or service otherwise covered by section 19a-638, or subsection (a) of section 19a-639 or covered by both sections or subsections, except that, if the facility or institution is in operation on June 5, 1998, said information shall be filed not more than sixty days after said date. Not later than ten business days after the office receives a completed filing required under this subsection, the office shall provide the health care facility or institution with written acknowledgment of receipt. Such acknowledgment shall constitute permission to operate or change, expand, terminate or relocate such a facility or institution or to make an expenditure consistent with an authorization received under subsection (a) of section 19a-639 until the next September thirtieth. Each entity exempted under this section shall renew its exemption [annually] by filing current information [each] once every two years in September.

Sec. 6. Section 19a-639e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

Notwithstanding the provisions of sections 19a-486 to 19a-486h, inclusive, section 19a-638, 19a-639, as amended by this act, or any other provision of [this] chapter 368z, the Office of Health Care Access may refuse to accept as filed or submitted a letter of intent or a certificate of need application from any person or health care facility or institution that failed to submit any required data or information, or has filed any required data or information that is incomplete or not filed in a timely fashion. Prior to any refusal and accompanying moratorium under the provisions of this section, the Commissioner of Health Care Access shall notify the person or health care facility or institution, in writing, and such notice shall identify the data or information that was not received and the data or information that is incomplete in any respect. Such person or health care facility or institution shall have [ten] fifteen

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business days [after receipt of] from the date of mailing the notice to provide the commissioner with the required data or information. Such refusal and related moratorium on accepting a letter of intent or a certificate of need application may remain in effect, at the discretion of the Commissioner of Health Care Access, until the office determines that all required data has been submitted. The commissioner shall have fifteen business days to notify the person or health care facility or institution submitting the data and information whether or not the letter of intent or certificate of need application is refused. Nothing in this section shall preclude or limit the office from taking any other action authorized by law concerning late, incomplete or inaccurate data submission in addition to such a refusal and accompanying moratorium.

Sec. 7. Section 19a-641 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

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, as amended by this act, or section 19a-648 or 19a-650, may appeal [therefrom] from such decision 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. 8. Subsection (a) of section 19a-643 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(a) The office shall adopt regulations, in accordance with the

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provisions of chapter 54, to carry out the provisions of sections 19a-630 to [19a-640] 19a-639e, inclusive, as amended by this act, and sections 19a-644, 19a-645, as amended by this act, 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 that have been approved by the [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. 9. Section 19a-645 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

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 located, provided such hospital shall have received the approval of the Office of Health Care Access under section 19a-639, as amended by this act. [or 19a-640.] Said court shall appoint a committee of three disinterested persons, who, after examining the premises and hearing the parties, shall report to the court as to the necessity and propriety of

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such enlargement and as to the quantity, boundaries and value of the land and buildings thereon, if any, which they deem proper to be taken for such purpose and the damages resulting from such taking. If such committee reports that such enlargement is necessary and proper and the court accepts such report, the decision of said court thereon shall have the effect of a judgment and execution may be issued thereon accordingly, in favor of the person to whom damages may be assessed, for the amount thereof; and, on payment thereof, the title to the land and buildings thereon, if any, for such purpose shall be vested in the complainant, but such land and buildings thereon, if any, shall not be taken until such damages are paid to such owner or deposited with said court, for such owner's use, within thirty days after such report is accepted. If such application is denied, the owner of the land shall recover costs of the applicant, to be taxed by said court, which may issue execution therefor. Land so taken shall be held by such hospital and used only for the public purpose stated in its complaint to the superior court. No land dedicated or otherwise reserved as open space or park land or for other recreational purposes and no land belonging to any town, city or borough shall be taken under the provisions of this section.

Sec. 10. Section 19a-653 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(a) (1) Any person or health care [provider which] facility or institution that owns, operates or is seeking to acquire [a computer axial tomography (CT) scanner,] major medical [imaging] equipment [, or] costing over four hundred thousand dollars, or scanning equipment, cineangiography equipment, a linear accelerator or other similar equipment utilizing technology that is developed or introduced into the state on or after October 1, 2005, or any person or health care facility [,] or institution [, person or provider] that is required to file data or information under any public or special act or under this

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chapter or sections 19a-486 to 19a-486h, inclusive, or any regulation adopted or order issued [thereunder] under this chapter or said sections, which fails to so file within prescribed time periods, shall be subject to a civil penalty of up to one thousand dollars a day for each day such information is missing, incomplete or inaccurate. Any civil penalty authorized by this section shall be imposed by the Office of Health Care Access in accordance with subsections (b) to (e), inclusive, of this section.

(2) If [an applicant or provider] a person or health care facility or institution is unsure whether a certificate of need is required under section 19a-638 or section 19a-639, or under both sections, it shall send a letter to the office describing the project and requesting that the office make such a determination. A person making a request for a determination as to whether a certificate of need, waiver or exemption is required shall provide the office with any information the office requests as part of its determination process.

(b) If the office has reason to believe that a violation has occurred for which a civil penalty is authorized by subsection (a) of this section, it shall notify the person or health care facility [,] or institution [or provider,] by first-class mail or personal service. The notice shall include: (1) A reference to the sections of the statute or regulation involved; (2) a short and plain statement of the matters asserted or charged; (3) a statement of the amount of the civil penalty or penalties to be imposed; (4) the initial date of the imposition of the penalty; and (5) a statement of the party's right to a hearing.

(c) The person or health care facility [,] or institution [, person or provider] to whom the notice is addressed shall have [ten calendar] fifteen business days from the date of mailing of the notice to make written application to the office to request (1) a hearing to contest the imposition of the penalty, or (2) an extension of time to file the required data. A failure to make a timely request for a hearing or an

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extension of time to file the required data or a denial of a request for an extension of time shall result in a final order for the imposition of the penalty. All hearings under this section shall be conducted pursuant to sections 4-176e to 4-184, inclusive. The office may grant an extension of time for filing the required data or mitigate or waive the penalty upon such terms and conditions as, in its discretion, it deems proper or necessary upon consideration of any extenuating factors or circumstances.

(d) A final order of the office assessing a civil penalty shall be subject to appeal as set forth in section 4-183 after a hearing before the office pursuant to subsection (c) of this section, except that any such appeal shall be taken to the superior court for the judicial district of New Britain. Such final order shall not be subject to appeal under any other provision of the general statutes. No challenge to any such final order shall be allowed as to any issue which could have been raised by an appeal of an earlier order, denial or other final decision by the office.

(e) If any person or health care facility [,] or institution [, person or provider] fails to pay any civil penalty under this section, after the assessment of such penalty has become final the amount of such penalty may be deducted from payments to such person or health care facility [,] or institution [, person or provider] from the Medicaid account.

Sec. 11. Section 19a-676 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2005*):

[For the fiscal year commencing October 1, 1992, and subsequent fiscal years] On or before February twenty-eighth of each year, for the preceding fiscal year, each hospital shall submit to the office, in the form and manner prescribed by the office, the data specified in [section 19a-167g-91 of the regulations of Connecticut state agencies, as from

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time to time amended] regulations adopted by the commissioner in accordance with chapter 54, the audit required under section 19a-649 and any other data required by the office, including hospital budget system data for the hospital's twelve months actual filing requirements. The Commissioner of Health Care Access may, at the commissioner's discretion, extend the deadline for submitting such audit and other data beyond February twenty-eighth.

Sec. 12. Section 19a-681 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2005*):

(a) Each hospital shall [include all applicable taxes in the price of each item in] file with the office its current pricemaster [for] which shall include each charge in its detailed schedule of charges.

(b) If the billing detail by line item on a patient bill does not agree with the detailed schedule of charges on file with the [Office of Health Care Access] office for the date of service specified on the bill, the hospital shall be subject to a civil penalty of five hundred dollars per occurrence payable to the state within ten business days of notification. The penalty shall be imposed in accordance with subsections (b) to (e), inclusive, of section 19a-653. The office may issue an order requiring such hospital, within ten business days of notification of an overcharge to a patient, to adjust the bill to be consistent with the schedule of charges on file with the office for the date of service specified on the patient bill.

Sec. 13. Sections 19a-617a, 19a-640 and 19a-682 of the general statutes are repealed. (*Effective July 1, 2005*)

Approved June 24, 2005