



General Assembly

Substitute Bill No. 1145

January Session, 2005

* SB01145PH 040405 *

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:

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 Section 19a-613 of the general statutes is repealed and the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

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

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

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

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

13 (b) The office shall: (1) Authorize and oversee the collection of data
14 required to carry out the provisions of this chapter; (2) oversee and
15 coordinate health system planning for the state; (3) monitor health care
16 costs; and (4) implement and oversee health care reform as enacted by
17 the General Assembly.

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

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

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

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

42 (c) Notwithstanding the provisions of this section, no outpatient
43 surgical facility shall be required to comply with section [19a-617a,]
44 19a-631, 19a-632, 19a-637a, 19a-644, 19a-645, 19a-646, 19a-648, 19a-649,
45 19a-650, 19a-652, or 19a-654 to 19a-683, inclusive. Each outpatient
46 surgical facility shall continue to be subject to the obligations and
47 requirements applicable to such facility, including, but not limited to,
48 any applicable provision of this chapter and those provisions of
49 chapter 368z not specified in this subsection, except that a request for

50 permission to undertake a transfer or change of ownership or control
51 shall not be required pursuant to subsection (a) of section 19a-638 if the
52 Office of Health Care Access determines that the following conditions
53 are satisfied: (1) Prior to any such transfer or change of ownership or
54 control, the outpatient surgical facility shall be owned and controlled
55 exclusively by persons licensed pursuant to section 20-13, either
56 directly or through a limited liability company, formed pursuant to
57 chapter 613, a corporation, formed pursuant to chapters 601 and 602,
58 or a limited liability partnership, formed pursuant to chapter 614, that
59 is exclusively owned by persons licensed pursuant to section 20-13, or
60 is under the interim control of an estate executor or conservator
61 pending transfer of an ownership interest or control to a person
62 licensed under section 20-13, and (2) after any such transfer or change
63 of ownership or control, persons licensed pursuant to section 20-13, a
64 limited liability company, formed pursuant to chapter 613, a
65 corporation, formed pursuant to chapters 601 and 602, or a limited
66 liability partnership, formed pursuant to chapter 614, that is
67 exclusively owned by persons licensed pursuant to section 20-13, shall
68 own and control no less than a sixty per cent interest in the outpatient
69 surgical facility.

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

73 (b) Any data submitted to or obtained or compiled by the office
74 with respect to its deliberations under sections 19a-637 to [19a-640]
75 19a-639e, inclusive, as amended by this act, with respect to nursing
76 homes, licensed under chapter 368v, shall be made available to the
77 Department of Public Health.

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

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

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

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

102 (b) Each health care facility or institution exempted under this
103 section shall register with the office by filing the information required
104 by subdivision (4) of subsection (a) of section 19a-638 for a letter of
105 intent at least ten business days but not more than sixty calendar days
106 prior to commencing operations and prior to changing, expanding,
107 terminating or relocating any facility or service otherwise covered by
108 section 19a-638, or subsection (a) of section 19a-639 or covered by both
109 sections or subsections, except that, if the facility or institution is in
110 operation on June 5, 1998, said information shall be filed not more than
111 sixty days after said date. Not later than ten business days after the
112 office receives a completed filing required under this subsection, the
113 office shall provide the health care facility or institution with written
114 acknowledgment of receipt. Such acknowledgment shall constitute
115 permission to operate or change, expand, terminate or relocate such a

116 facility or institution or to make an expenditure consistent with an
117 authorization received under subsection (a) of section 19a-639 until the
118 next September thirtieth. Each entity exempted under this section shall
119 renew its exemption [annually] by filing current information [each]
120 once every two years in September.

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

123 Notwithstanding the provisions of sections 19a-486 to 19a-486h,
124 inclusive, section 19a-638, 19a-639, as amended by this act, or any other
125 provision of [this] chapter 368z, the Office of Health Care Access may
126 refuse to accept as filed or submitted a letter of intent or a certificate of
127 need application from any person or health care facility or institution
128 that failed to submit any required data or information, or has filed any
129 required data or information that is incomplete or not filed in a timely
130 fashion. Prior to any refusal and accompanying moratorium under the
131 provisions of this section, the Commissioner of Health Care Access
132 shall notify the person or health care facility or institution, in writing,
133 and such notice shall identify the data or information that was not
134 received and the data or information that is incomplete in any respect.
135 Such person or health care facility or institution shall have [ten] fifteen
136 business days [after receipt of] from the date of mailing the notice to
137 provide the commissioner with the required data or information. Such
138 refusal and related moratorium on accepting a letter of intent or a
139 certificate of need application may remain in effect, at the discretion of
140 the Commissioner of Health Care Access, until the office determines
141 that all required data has been submitted. The commissioner shall have
142 fifteen business days to notify the person or health care facility or
143 institution submitting the data and information whether or not the
144 letter of intent or certificate of need application is refused. Nothing in
145 this section shall preclude or limit the office from taking any other
146 action authorized by law concerning late, incomplete or inaccurate
147 data submission in addition to such a refusal and accompanying
148 moratorium.

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

151 Any health care facility or institution and any state health care
152 facility or institution aggrieved by any final decision of said office
153 under the provisions of sections 19a-630 to [19a-640] 19a-639e,
154 inclusive, as amended by this act, or section 19a-648 or 19a-650, may
155 appeal [therefrom] from such decision in accordance with the
156 provisions of section 4-183, except venue shall be in the judicial district
157 in which it is located. Such appeal shall have precedence in respect to
158 order of trial over all other cases except writs of habeas corpus, actions
159 brought by or on behalf of the state, including informations on the
160 relation of private individuals, and appeals from awards or decisions
161 of workers' compensation commissioners.

162 Sec. 8. Subsection (a) of section 19a-643 of the general statutes is
163 repealed and the following is substituted in lieu thereof (*Effective*
164 *October 1, 2005*):

165 (a) The office shall adopt regulations, in accordance with the
166 provisions of chapter 54, to carry out the provisions of sections 19a-630
167 to [19a-640] 19a-639e, inclusive, as amended by this act, and sections
168 19a-644, 19a-645, as amended by this act, and 19a-648, concerning the
169 submission of data by health care facilities and institutions, including
170 data on dealings between health care facilities and institutions and
171 their affiliates, and, with regard to requests or proposals pursuant to
172 sections 19a-638 and 19a-639, by state health care facilities and
173 institutions, the ongoing inspections by the office of operating budgets
174 that have been approved by the board of directors of health care
175 facilities and institutions, [after their approval,] standard reporting
176 forms and standard accounting procedures to be utilized by health
177 care facilities and institutions and the transferability of line items in the
178 [approved] board-approved operating budgets of the health care
179 facilities and institutions, except that any health care facility or
180 institution may transfer any amounts among items in its operating
181 budget, [, provided such facility or institution is not exceeding and will

182 not exceed its overall operating budget.] All such transfers shall be
183 reported to the office within thirty days of the transfer or transfers.

184 Sec. 9. Section 19a-645 of the general statutes is repealed and the
185 following is substituted in lieu thereof (*Effective October 1, 2005*):

186 A nonprofit hospital, licensed by the Department of Public Health,
187 which provides lodging, care and treatment to members of the public,
188 and which wishes to enlarge its public facilities by adding contiguous
189 land and buildings thereon, if any, the title to which it cannot
190 otherwise acquire, may prefer a complaint for the right to take such
191 land to the superior court for the judicial district in which such land is
192 located, provided such hospital shall have received the approval of the
193 Office of Health Care Access under section 19a-639, as amended by
194 this act. [or 19a-640.] Said court shall appoint a committee of three
195 disinterested persons, who, after examining the premises and hearing
196 the parties, shall report to the court as to the necessity and propriety of
197 such enlargement and as to the quantity, boundaries and value of the
198 land and buildings thereon, if any, which they deem proper to be
199 taken for such purpose and the damages resulting from such taking. If
200 such committee reports that such enlargement is necessary and proper
201 and the court accepts such report, the decision of said court thereon
202 shall have the effect of a judgment and execution may be issued
203 thereon accordingly, in favor of the person to whom damages may be
204 assessed, for the amount thereof; and, on payment thereof, the title to
205 the land and buildings thereon, if any, for such purpose shall be vested
206 in the complainant, but such land and buildings thereon, if any, shall
207 not be taken until such damages are paid to such owner or deposited
208 with said court, for such owner's use, within thirty days after such
209 report is accepted. If such application is denied, the owner of the land
210 shall recover costs of the applicant, to be taxed by said court, which
211 may issue execution therefor. Land so taken shall be held by such
212 hospital and used only for the public purpose stated in its complaint to
213 the superior court. No land dedicated or otherwise reserved as open
214 space or park land or for other recreational purposes and no land
215 belonging to any town, city or borough shall be taken under the

216 provisions of this section.

217 Sec. 10. Subsection (a) of section 19a-649 of the general statutes is
218 repealed and the following is substituted in lieu thereof (*Effective July*
219 *1, 2005*):

220 (a) The office, in consultation with the Commissioner of Social
221 Services, shall review annually the level of uncompensated care
222 including emergency assistance to families provided by each hospital
223 to the indigent. Each hospital shall file annually with the office its
224 policies regarding the provision of free or reduced cost services to the
225 indigent, excluding medical assistance recipients, and its debt
226 collection practices. Each hospital shall obtain an independent audit of
227 the level of charges, payments and discharges by primary payer
228 related to Medicare, medical assistance, CHAMPUS and
229 nongovernmental payers as well as the amount of uncompensated care
230 including emergency assistance to families. The results of this audit,
231 including the above information, with an opinion, shall be provided to
232 the office by each hospital together with the hospital's financial
233 statements filed on [February twenty-eighth] April first of each year.
234 For purposes of this section, "primary payer" means the final payer
235 responsible for more than fifty per cent of the charges on the case, or, if
236 no payer is responsible for more than fifty per cent of the charges the
237 payer responsible for the highest percentage of charges. The office
238 shall evaluate the audit and may rely on the information contained in
239 the independent audit or may require such additional audit as it
240 deems necessary.

241 Sec. 11. Section 19a-653 of the general statutes is repealed and the
242 following is substituted in lieu thereof (*Effective October 1, 2005*):

243 (a) (1) Any person or health care [provider which] facility or
244 institution that owns, operates or is seeking to acquire [a computer
245 axial tomography (CT) scanner,] major medical [imaging] equipment [,
246 or] costing over four hundred thousand dollars, or scanning
247 equipment, cineangiography equipment, a linear accelerator or other

248 equipment utilizing technology that is developed or introduced into
249 the state on or after October 1, 2005, or any person or health care
250 facility [,] or institution [, person or provider] that is required to file
251 data or information under any public or special act or under this
252 chapter or sections 19a-486 to 19a-486h, inclusive, or any regulation
253 adopted or order issued [thereunder] under this chapter or said
254 sections, which fails to so file within prescribed time periods, shall be
255 subject to a civil penalty of up to one thousand dollars a day for each
256 day such information is missing, incomplete or inaccurate. Any civil
257 penalty authorized by this section shall be imposed by the Office of
258 Health Care Access in accordance with subsections (b) to (e), inclusive,
259 of this section.

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

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

277 (c) The person or health care facility [,] or institution [, person or
278 provider] to whom the notice is addressed shall have [ten calendar]
279 fifteen business days from the date of mailing of the notice to make
280 written application to the office to request (1) a hearing to contest the

281 imposition of the penalty, or (2) an extension of time to file the
282 required data. A failure to make a timely request for a hearing or an
283 extension of time to file the required data or a denial of a request for an
284 extension of time shall result in a final order for the imposition of the
285 penalty. All hearings under this section shall be conducted pursuant to
286 sections 4-176e to 4-184, inclusive. The office may grant an extension of
287 time for filing the required data or mitigate or waive the penalty upon
288 such terms and conditions as, in its discretion, it deems proper or
289 necessary upon consideration of any extenuating factors or
290 circumstances.

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

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

306 Sec. 12. Section 19a-676 of the general statutes is repealed and the
307 following is substituted in lieu thereof (*Effective July 1, 2005*):

308 [For the fiscal year commencing October 1, 1992, and subsequent
309 fiscal years] On or before April first of each year, for the preceding
310 fiscal year, each hospital shall submit to the office, in the form and
311 manner prescribed by the office, the data specified in [section 19a-
312 167g-91 of the regulations of Connecticut state agencies, as from time

313 to time amended] regulations adopted by the commissioner in
 314 accordance with chapter 54, the audit required under section 19a-649
 315 and any other data required by the office, including hospital budget
 316 system data for the hospital's twelve months actual filing
 317 requirements.

318 Sec. 13. Section 19a-681 of the general statutes is repealed and the
 319 following is substituted in lieu thereof (*Effective July 1, 2005*):

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

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

334 Sec. 14. Sections 19a-617a, 19a-640 and 19a-682 of the general
 335 statutes are repealed. (*Effective July 1, 2005*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005</i>	19a-613
Sec. 2	<i>October 1, 2005</i>	19a-493b(c)
Sec. 3	<i>October 1, 2005</i>	19a-637(b) and (c)
Sec. 4	<i>October 1, 2005</i>	19a-639(e)
Sec. 5	<i>October 1, 2005</i>	19a-639a(b)
Sec. 6	<i>October 1, 2005</i>	19a-639e
Sec. 7	<i>October 1, 2005</i>	19a-641

Sec. 8	<i>October 1, 2005</i>	19a-643(a)
Sec. 9	<i>October 1, 2005</i>	19a-645
Sec. 10	<i>July 1, 2005</i>	19a-649(a)
Sec. 11	<i>October 1, 2005</i>	19a-653
Sec. 12	<i>July 1, 2005</i>	19a-676
Sec. 13	<i>July 1, 2005</i>	19a-681
Sec. 14	<i>July 1, 2005</i>	Repealer section

Statement of Legislative Commissioners:

A new section 10 amending subsection (a) of section 19a-649 of the general statutes was added in order to change the due date for audit results from February twenty-eighth of each year to April first of each year for consistency with section 19a-676, as amended by section 12 of this act.

PH *Joint Favorable Subst.*