



# Senate

General Assembly

**File No. 809**

January Session, 2009

Substitute Senate Bill No. 876

*Senate, April 23, 2009*

The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING LIABILITY OF NURSING HOME OWNERS  
FOR NEGLECT AND ABUSE OF NURSING HOME RESIDENTS.***

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

1 Section 1. Section 19a-528a of the general statutes is repealed and  
2 the following is substituted in lieu thereof (*Effective October 1, 2009*):

3 For any application of licensure for the acquisition of a nursing  
4 home filed after July 1, 2004, any potential nursing home licensee or  
5 owner [must] shall submit, in writing, a change in ownership  
6 application with respect to the facility for which the change in  
7 ownership is sought. The Department of Public Health shall prepare  
8 the change in ownership application which shall include the following  
9 statement printed in no less than twelve-point boldface type of  
10 uniform font on the first page of the application: "NOTICE: Any  
11 nursing home licensee or owner, including, but not limited to, an  
12 officer, director, trustee, limited partner, managing partner, general  
13 partner or any person having at least a ten per cent ownership interest  
14 in the owner, as well as any administrator, assistant administrator,



The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

**Explanation**

The Department of Public Health is required by the bill to include a statement within change of nursing home ownership applications, which can be accommodated by the agency within normally budgeted resources.

**The Out Years**

None

*Sources: 2/19/09 Public Hearing Testimony*

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**OLR Bill Analysis****sSB 876*****AN ACT CONCERNING LIABILITY OF NURSING HOME OWNERS FOR NEGLIGENCE AND ABUSE OF NURSING HOME RESIDENTS.*****SUMMARY:**

This bill requires the Department of Public Health (DPH) to prepare a written application for changes in nursing home ownership that includes a statement notifying the potential nursing home licensee or owner that he or she may be held criminally liable for any abuse or neglect of a resident by a nursing home employee. Specifically, it requires the following statement to be placed at the top of the first application page in at least 12-point bold font:

“NOTICE: Any nursing home licensee or owner, including, but not limited to, an officer, director, trustee, limited partner, managing partner, general partner or any person having at least a 10% ownership interest in the owner, as well as any administrator, assistant administrator, medical director, director of nursing or assistant director of nursing, may be subject to criminal liability, in addition to civil and administrative sanctions under federal and state law, for the abuse or neglect of a resident of the nursing home perpetrated by an employee of the nursing home.”

EFFECTIVE DATE: October 1, 2009

**BACKGROUND*****DPH Applications For Nursing Home Ownership Changes***

By law, DPH must give its prior approval if a nursing home changes ownership. The written application must include whether a potential nursing home licensee or owner (1) has had civil penalties for nursing home violations imposed by DPH or another state during any two-year period or (2) received intermediate Medicare or Medicaid

sanctions or had their provider agreements for these programs terminated or not renewed. The law prohibits the DPH commissioner from approving an application to acquire a nursing home for a five-year period if any of these conditions are present, unless good cause is shown (CGS § 19a-528).

**Evaluation Period for New Licensees**

If a person has not operated a nursing home in Connecticut before, DPH can institute an “evaluation period” of up to five years from the time of initial licensure in order to assess the standard of care the nursing home provides. During this evaluation period, the person is prohibited from acquiring any additional nursing homes (CGS § 19a-493a).

**Related Bills**

HB 6400 and SB 845, reported favorably by the Human Services and Public Health committees respectively, place certain restrictions on a nursing home operator's ability to acquire a nursing home if the operator violates nursing home laws in Connecticut or in another state or has nursing home problems related to Medicare and Medicaid.

**COMMITTEE ACTION**

Select Committee on Aging

Joint Favorable Change of Reference  
Yea 11 Nay 0 (03/05/2009)

Public Health Committee

Joint Favorable Substitute Change of Reference  
Yea 29 Nay 0 (03/25/2009)

Appropriations Committee

Joint Favorable Substitute  
Yea 50 Nay 0 (04/15/2009)