



General Assembly

**Amendment**

January Session, 2009

LCO No. 6427

\*SB0066406427SD0\*

Offered by:

SEN. PRAGUE, 19<sup>th</sup> Dist.

SEN. SLOSSBERG, 14<sup>th</sup> Dist.

To: Subst. Senate Bill No. 664

File No. 243

Cal. No. 226

**"AN ACT CONCERNING BILLING FOR ASSISTED LIVING SERVICES COVERED BY LONG-TERM CARE INSURANCE."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Section 19a-694 of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective July 1, 2009*):

5 (a) All managed residential communities operating in the state shall:

6 (1) Provide a written residency agreement to each resident in  
7 accordance with section 19a-700, as amended by this act;

8 (2) Afford residents the ability to access services provided by an  
9 assisted living services agency. Such services shall be provided in  
10 accordance with a service plan developed in accordance with section  
11 19a-699, as amended by this act;

12 (3) Upon the request of a resident, arrange, in conjunction with the

13 assisted living services agency, for the provision of ancillary medical  
14 services on behalf of a resident, including physician and dental  
15 services, pharmacy services, restorative physical therapies, podiatry  
16 services, hospice care and home health agency services, provided the  
17 ancillary medical services are not administered by employees of the  
18 managed residential community, unless the resident chooses to receive  
19 such services;

20 (4) Provide a formally established security program for the  
21 protection and safety of residents that is designed to protect residents  
22 from intruders;

23 (5) Afford residents the rights and privileges guaranteed under title  
24 47a;

25 (6) Comply with the provisions of subsection (c) of section 19-13-  
26 D105 of the regulations of Connecticut state agencies; and

27 (7) Be subject to oversight and regulation by the Department of  
28 Public Health.

29 (b) No managed residential community shall control or manage the  
30 financial affairs or personal property of any resident, except to the  
31 extent provided for in subsection (c) of this section.

32 (c) A resident who has a long-term care insurance policy may elect  
33 to have the managed residential community bill the insurer directly.  
34 Such resident shall make such election by submitting a written form  
35 prepared and provided by the managed residential community to the  
36 resident accounts or billing office of such community. Such managed  
37 residential community shall bill such insurer directly if the resident  
38 makes such election. If such insurer remits payment to such managed  
39 residential community in excess of the cost for such resident's housing  
40 and services provided by such managed residential community, such  
41 managed residential community shall give such excess to such resident  
42 unless such resident requests such managed residential community to  
43 control or manage such excess. Upon such resident's request, such

44 managed residential community shall manage such excess for such  
45 resident and shall provide such resident with a quarterly accounting of  
46 financial transactions made on such resident's behalf.

47 Sec. 2. Section 19a-700 of the general statutes is repealed and the  
48 following is substituted in lieu thereof (*Effective July 1, 2009*):

49 A managed residential community shall enter into a written  
50 residency agreement with each resident that clearly sets forth the  
51 rights and responsibilities of the resident and the managed residential  
52 community, including the duties set forth in section 19a-562. The  
53 residency agreement shall be set forth in plain language and printed in  
54 not less than fourteen-point type. The residency agreement shall be  
55 signed by the managed residential community's authorized agent and  
56 by the resident, or the resident's legal representative, prior to the  
57 resident taking possession of a private residential unit and shall  
58 include, at a minimum:

59 (1) An itemization of assisted living services, transportation  
60 services, recreation services and any other services and goods, lodging  
61 and meals to be provided on behalf of the resident by the managed  
62 residential community;

63 (2) A full and fair disclosure of all charges, fees, expenses and costs  
64 to be borne by the resident;

65 (3) A schedule of payments and disclosure of all late fees or  
66 potential penalties;

67 (4) The grievance procedure with respect to enforcement of the  
68 terms of the residency agreement;

69 (5) The managed residential community's covenant to comply with  
70 all municipal, state and federal laws and regulations regarding  
71 consumer protection and protection from financial exploitation;

72 (6) The managed residential community's covenant to afford  
73 residents all rights and privileges afforded under title 47a;

74 (7) The conditions under which the agreement can be terminated by  
75 either party;

76 (8) Full disclosure of the rights and responsibilities of the resident  
77 and the managed residential community in situations involving  
78 serious deterioration in the health of the resident, hospitalization of the  
79 resident or death of the resident, including a provision that specifies  
80 that in the event that a resident of the community dies, the estate or  
81 family of such resident shall only be responsible for further payment to  
82 the community for a period of time not to exceed fifteen days  
83 following the date of death of such resident as long as the private  
84 residential unit formerly occupied by the resident has been vacated;  
85 and

86 (9) Any adopted rules of the managed residential community  
87 reasonably designed to promote the health, safety and welfare of  
88 residents.

89 (10) A form contained on a separate page by which a resident who  
90 has a long-term care insurance policy can elect to have the managed  
91 residential community bill the insurer directly.

92 Sec. 3. Section 19a-699 of the general statutes is repealed and the  
93 following is substituted in lieu thereof (*Effective July 1, 2009*):

94 (a) An assisted living services agency shall develop and maintain an  
95 individualized service plan for any resident of a managed residential  
96 community that receives assisted living services. Such agency shall  
97 develop the individualized service plan after consultation with the  
98 resident and following an assessment of the resident by a registered  
99 nurse. The individualized service plan shall set forth in lay terms the  
100 needs of the resident for assisted living services, the providers or  
101 intended providers of needed services, the scope, type and frequency  
102 of such services, an itemized cost of such services and any other  
103 information that Department of Public Health may require. The  
104 individualized service plan and any periodic revisions thereto shall be  
105 confidential, in writing, signed by the resident, or the resident's legal

106 representative, and a representative of the assisted living services  
107 agency and available for inspection by the resident and the  
108 department. The assisted living services agency shall also provide the  
109 resident or the resident's legal representative with a form upon which  
110 the resident can elect to have the agency bill an insurer directly  
111 pursuant to the resident's long-term care insurance policy.

112 (b) An assisted living services agency shall maintain written policies  
113 and procedures for the initial evaluation and regular, periodic  
114 reassessment of the functional and health status and service  
115 requirements of each resident who requires assisted living services.

116 (c) A resident who has coverage under a long-term care insurance  
117 policy may elect to have an assisted living services agency bill the  
118 insurer directly. Such resident shall make such election by submitting a  
119 written form prepared and provided by the assisted living services  
120 agency to the patient accounts or billing office of such agency. Such  
121 assisted living services agency shall bill such insurer directly if the  
122 resident makes such election.

123 Sec. 4. Subsection (a) of section 38a-501 of the general statutes is  
124 repealed and the following is substituted in lieu thereof (*Effective July*  
125 *1, 2009*):

126 (a) (1) As used in this section, "long-term care policy" means any  
127 individual health insurance policy, delivered or issued for delivery to  
128 any resident of this state on or after July 1, 1986, which is designed to  
129 provide, within the terms and conditions of the policy, benefits on an  
130 expense-incurred, indemnity or prepaid basis for necessary care or  
131 treatment of an injury, illness or loss of functional capacity provided  
132 by a certified or licensed health care provider in a setting other than an  
133 acute care hospital, for at least one year after an elimination period (1)  
134 not to exceed one hundred days of confinement, or (2) of over one  
135 hundred days but not to exceed two years of confinement, provided  
136 such period is covered by an irrevocable trust in an amount estimated  
137 to be sufficient to furnish coverage to the grantor of the trust for the

138 duration of the elimination period. Such trust shall create an  
 139 unconditional duty to pay the full amount held in trust exclusively to  
 140 cover the costs of confinement during the elimination period, subject  
 141 only to taxes and any trustee's charges allowed by law. Payment shall  
 142 be made directly to the provider. The duty of the trustee may be  
 143 enforced by the state, the grantor or any person acting on behalf of the  
 144 grantor. A long-term care policy shall provide benefits for confinement  
 145 in a nursing home or confinement in the insured's own home or both.  
 146 Any additional benefits provided shall be related to long-term  
 147 treatment of an injury, illness or loss of functional capacity. "Long-term  
 148 care policy" shall not include any such policy which is offered  
 149 primarily to provide basic Medicare supplement coverage, basic  
 150 medical-surgical expense coverage, hospital confinement indemnity  
 151 coverage, major medical expense coverage, disability income  
 152 protection coverage, accident only coverage, specified accident  
 153 coverage or limited benefit health coverage.

154 (2) No insurance company, fraternal benefit society, hospital service  
 155 corporation, medical service corporation or health care center  
 156 delivering, issuing for delivery, renewing, continuing or amending any  
 157 long-term care policy in this state may refuse to accept or make  
 158 reimbursement pursuant to an assignment of benefits made to a  
 159 managed residential community, as defined in section 19a-693 or an  
 160 assisted living services agency, as defined in section 19a-693. As used  
 161 in this subdivision, "assignment of benefits" means the transfer of long-  
 162 term care reimbursement benefits or other rights under a long-term  
 163 care policy by an insured, subscriber or enrollee to a managed  
 164 residential community or assisted living services agency."

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2009	19a-694
Sec. 2	July 1, 2009	19a-700
Sec. 3	July 1, 2009	19a-699
Sec. 4	July 1, 2009	38a-501(a)