



General Assembly

**Substitute Bill No. 478**

February Session, 2010

\* SB00478FIN 040610 \*

**AN ACT CONCERNING CHANGES TO THE ESTATE AND GIFT TAX,  
THE HOSPITAL TAX AND THE ATTORNEYS' OCCUPATIONAL TAX.**

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

1 Section 1. Subsection (g) of section 12-391 of the 2010 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective from passage and applicable to estates of decedents who die*  
4 *on or after January 1, 2010*):

5 (g) (1) With respect to the estates of decedents dying on or after  
6 January 1, 2005, but prior to January 1, 2010, the tax based on the  
7 Connecticut taxable estate shall be as provided in the following  
8 schedule:

T1	Amount of Connecticut	
T2	Taxable Estate	Rate of Tax
T3		
T4	Not over \$2,000,000	None
T5	Over \$2,000,000	
T6	but not over \$2,100,000	5.085% of the excess over \$0
T7	Over \$2,100,000	\$106,800 plus 8% of the excess
T8	but not over \$2,600,000	over \$2,100,000
T9	Over \$2,600,000	\$146,800 plus 8.8% of the excess
T10	but not over \$3,100,000	over \$2,600,000
T11	Over \$3,100,000	\$190,800 plus 9.6% of the excess

T12	but not over \$3,600,000	over \$3,100,000
T13	Over \$3,600,000	\$238,800 plus 10.4% of the excess
T14	but not over \$4,100,000	over \$3,600,000
T15	Over \$4,100,000	\$290,800 plus 11.2% of the excess
T16	but not over \$5,100,000	over \$4,100,000
T17	Over \$5,100,000	\$402,800 plus 12% of the excess
T18	but not over \$6,100,000	over \$5,100,000
T19	Over \$6,100,000	\$522,800 plus 12.8% of the excess
T20	but not over \$7,100,000	over \$6,100,000
T21	Over \$7,100,000	\$650,800 plus 13.6% of the excess
T22	but not over \$8,100,000	over \$7,100,000
T23	Over \$8,100,000	\$786,800 plus 14.4% of the excess
T24	but not over \$9,100,000	over \$8,100,000
T25	Over \$9,100,000	\$930,800 plus 15.2% of the excess
T26	but not over \$10,100,000	over \$9,100,000
T27	Over \$10,100,000	\$1,082,800 plus 16% of the excess
T28		over \$10,100,000

9           (2) With respect to the estates of decedents dying on or after January  
 10 1, 2010, but prior to January 1, 2012, the tax based on the Connecticut  
 11 taxable estate shall be as provided in the following schedule:

T29	<u>Amount of Connecticut</u>	
T30	<u>Taxable Estate</u>	<u>Rate of Tax</u>
T31		
T32	<u>Not over \$3,500,000</u>	<u>None</u>
T33	<u>Over \$3,500,000</u>	<u>14.8% of the excess over</u>
T34	<u>but not over \$3,600,000</u>	<u>\$3,500,000</u>
T35	<u>Over \$3,600,000</u>	<u>\$14,800 plus 15.6% of the excess</u>
T36	<u>but not over \$4,100,000</u>	<u>over \$3,600,000</u>
T37	<u>Over \$4,100,000</u>	<u>\$92,800 plus 16.4% of the excess</u>
T38	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T39	<u>Over \$5,100,000</u>	<u>\$256,800 plus 17.2% of the excess</u>
T40	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T41	<u>Over \$6,100,000</u>	<u>\$428,800 plus 18.0% of the excess</u>

T42	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T43	<u>Over \$7,100,000</u>	<u>\$608,800 plus 18.8% of the excess</u>
T44	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T45	<u>Over \$8,100,000</u>	<u>\$796,800 plus 19.2% of the excess</u>
T46	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T47	<u>Over \$9,100,000</u>	<u>\$988,880 plus 19.6% of the excess</u>
T48	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T49	<u>Over \$10,100,000</u>	<u>\$1,184,800 plus 20.0% of the excess</u>
T50		<u>over \$10,100,000</u>

12            [(2)] (3) With respect to the estates of decedents dying on or after  
 13            January 1, [2010] 2012, the tax based on the Connecticut taxable estate  
 14            shall be as provided in the following schedule:

	Amount of Connecticut Taxable Estate	Rate of Tax
T51		
T52		
T53		
T54	Not over \$3,500,000	None
T55	Over \$3,500,000	7.2% of the excess
T56	but not over \$3,600,000	over \$3,500,000
T57	Over \$3,600,000	\$7,200 plus 7.8% of the excess
T58	but not over \$4,100,000	over \$3,600,000
T59	Over \$4,100,000	\$46,200 plus 8.4% of the excess
T60	but not over \$5,100,000	over \$4,100,000
T61	Over \$5,100,000	\$130,200 plus 9.0% of the excess
T62	but not over \$6,100,000	over \$5,100,000
T63	Over \$6,100,000	\$220,200 plus 9.6% of the excess
T64	but not over \$7,100,000	over \$6,100,000
T65	Over \$7,100,000	\$316,200 plus 10.2% of the excess
T66	but not over \$8,100,000	over \$7,100,000
T67	Over \$8,100,000	\$418,200 plus 10.8% of the excess
T68	but not over \$9,100,000	over \$8,100,000
T69	Over \$9,100,000	\$526,200 plus 11.4% of the excess
T70	but not over \$10,100,000	over \$9,100,000
T71	Over \$10,100,000	\$640,200 plus 12% of the excess

T72 over \$10,100,000

15 Sec. 2. Subsection (a) of section 12-642 of the 2010 supplement to the  
 16 general statutes is repealed and the following is substituted in lieu  
 17 thereof (*Effective from passage and applicable to gifts made during calendar*  
 18 *years commencing on or after January 1, 2010*):

19 (a) (1) With respect to calendar years commencing prior to January  
 20 1, 2001, the tax imposed by section 12-640 for the calendar year shall be  
 21 at a rate of the taxable gifts made by the donor during the calendar  
 22 year set forth in the following schedule:

T73	Amount of Taxable Gifts	Rate of Tax
T74		
T75	Not over \$25,000	1%
T76	Over \$25,000	\$250, plus 2% of the excess
T77	but not over \$50,000	over \$25,000
T78	Over \$50,000	\$750, plus 3% of the excess
T79	but not over \$75,000	over \$50,000
T80	Over \$75,000	\$1,500, plus 4% of the excess
T81	but not over \$100,000	over \$75,000
T82	Over \$100,000	\$2,500, plus 5% of the excess
T83	but not over \$200,000	over \$100,000
T84	Over \$200,000	\$7,500, plus 6% of the excess
T85		over \$200,000

23 (2) With respect to the calendar years commencing January 1, 2001,  
 24 January 1, 2002, January 1, 2003, and January 1, 2004, the tax imposed  
 25 by section 12-640 for each such calendar year shall be at a rate of the  
 26 taxable gifts made by the donor during the calendar year set forth in  
 27 the following schedule:

T86	Amount of Taxable Gifts	Rate of Tax
T87		
T88	Over \$25,000	\$250, plus 2% of the excess

T89	but not over \$50,000	over \$25,000
T90	Over \$50,000	\$750, plus 3% of the excess
T91	but not over \$75,000	over \$50,000
T92	Over \$75,000	\$1,500, plus 4% of the excess
T93	but not over \$100,000	over \$75,000
T94	Over \$100,000	\$2,500, plus 5% of the excess
T95	but not over \$675,000	over \$100,000
T96	Over \$675,000	\$31,250, plus 6% of the excess
T97		over \$675,000

28       (3) With respect to Connecticut taxable gifts, as defined in section  
 29 12-643, made by a donor during a calendar year commencing on or  
 30 after January 1, 2005, but prior to January 1, 2010, including the  
 31 aggregate amount of all Connecticut taxable gifts made by the donor  
 32 during all calendar years commencing on or after January 1, 2005, but  
 33 prior to January 1, 2010, the tax imposed by section 12-640 for the  
 34 calendar year shall be at the rate set forth in the following schedule,  
 35 with a credit allowed against such tax for any tax previously paid to  
 36 this state pursuant to this subdivision:

T98	Amount of Taxable Gifts	Rate of Tax
T99		
T100	Not over \$2,000,000	None
T101	Over \$2,000,000	
T102	but not over \$2,100,000	5.085% of the excess over \$0
T103	Over \$2,100,000	\$106,800 plus 8% of the excess
T104	but not over \$2,600,000	over \$2,100,000
T105	Over \$2,600,000	\$146,800 plus 8.8% of the excess
T106	but not over \$3,100,000	over \$2,600,000
T107	Over \$3,100,000	\$190,800 plus 9.6% of the excess
T108	but not over \$3,600,000	over \$3,100,000
T109	Over \$3,600,000	\$238,800 plus 10.4% of the excess
T110	but not over \$4,100,000	over \$3,600,000
T111	Over \$4,100,000	\$290,800 plus 11.2% of the excess
T112	but not over \$5,100,000	over \$4,100,000

T113	Over \$5,100,000	\$402,800 plus 12% of the excess
T114	but not over \$6,100,000	over \$5,100,000
T115	Over \$6,100,000	\$522,800 plus 12.8% of the excess
T116	but not over \$7,100,000	over \$6,100,000
T117	Over \$7,100,000	\$650,800 plus 13.6% of the excess
T118	but not over \$8,100,000	over \$7,100,000
T119	Over \$8,100,000	\$786,800 plus 14.4% of the excess
T120	but not over \$9,100,000	over \$8,100,000
T121	Over \$9,100,000	\$930,800 plus 15.2% of the excess
T122	but not over \$10,100,000	over \$9,100,000
T123	Over \$10,100,000	\$1,082,800 plus 16% of the excess
T124		over \$10,100,000

37        (4) With respect to Connecticut taxable gifts, as defined in section  
38        12-643, made by a donor during a calendar year commencing on or  
39        after January 1, 2010, but prior to January 1, 2012, including the  
40        aggregate amount of all Connecticut taxable gifts made by the donor  
41        during all calendar years commencing on or after January 1, 2005, the  
42        tax imposed by section 12-640 for the calendar year shall be at the rate  
43        set forth in the following schedule, with a credit allowed against such  
44        tax for any tax previously paid to this state pursuant to this  
45        subdivision or pursuant to subdivision (3) of this subsection, provided  
46        such credit shall not exceed the amount of tax imposed by this section:

T125	Amount of Connecticut	<u>Rate of Tax</u>
T126	Taxable Estate	
T127	<u>Not over \$3,500,000</u>	<u>None</u>
T128	<u>Over \$3,500,000</u>	<u>14.8% of the excess over</u>
T129	<u>but not over \$3,600,000</u>	<u>\$3,500,000</u>
T130	<u>Over \$3,600,000</u>	<u>\$14,800 plus 15.6% of the excess</u>
T131	<u>but not over \$4,100,000</u>	<u>over \$3,600,000</u>
T132	<u>Over \$4,100,000</u>	<u>\$92,800 plus 16.4% of the excess</u>
T133	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T134	<u>Over \$5,100,000</u>	<u>\$256,800 plus 17.2% of the excess</u>
T135	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>

T136	<u>Over \$6,100,000</u>	<u>\$428,800 plus 18.0% of the excess</u>
T137	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T138	<u>Over \$7,100,000</u>	<u>\$608,800 plus 18.8% of the excess</u>
T139	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T140	<u>Over \$8,100,000</u>	<u>\$796,800 plus 19.2% of the excess</u>
T141	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T142	<u>Over \$9,100,000</u>	<u>\$988,880 plus 19.6% of the excess</u>
T143	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T144	<u>Over \$10,100,000</u>	<u>\$1,184,800 plus 20.0% of the excess</u>
T145		<u>over \$10,100,000</u>

47        [(4)] (5) With respect to Connecticut taxable gifts, as defined in  
48 section 12-643, made by a donor during a calendar year commencing  
49 on or after January 1, [2010] 2012, including the aggregate amount of  
50 all Connecticut taxable gifts made by the donor during all calendar  
51 years commencing on or after January 1, 2005, the tax imposed by  
52 section 12-640 for the calendar year shall be at the rate set forth in the  
53 following schedule, with a credit allowed against such tax for any tax  
54 previously paid to this state pursuant to this subdivision or pursuant  
55 to subdivision (3) or (4) of this subsection, provided such credit shall  
56 not exceed the amount of tax imposed by this section:

T146	Amount of Taxable Gifts	Rate of Tax
T147		
T148	Not over \$3,500,000	None
T149	Over \$3,500,000	7.2% of the excess
T150	but not over \$3,600,000	over \$3,500,000
T151	Over \$3,600,000	\$7,200 plus 7.8% of the excess
T152	but not over \$4,100,000	over \$3,600,000
T153	Over \$4,100,000	\$46,200 plus 8.4% of the excess
T154	but not over \$5,100,000	over \$4,100,000
T155	Over \$5,100,000	\$130,200 plus 9.0% of the excess
T156	but not over \$6,100,000	over \$5,100,000
T157	Over \$6,100,000	\$220,200 plus 9.6% of the excess
T158	but not over \$7,100,000	over \$6,100,000

T159	Over \$7,100,000	\$316,200 plus 10.2% of the excess
T160	but not over \$8,100,000	over \$7,100,000
T161	Over \$8,100,000	\$418,200 plus 10.8% of the excess
T162	but not over \$9,100,000	over \$8,100,000
T163	Over \$9,100,000	\$526,200 plus 11.4% of the excess
T164	but not over \$10,100,000	over \$9,100,000
T165	Over \$10,100,000	\$640,200 plus 12% of the excess
T166		over \$10,100,000

57       Sec. 3. Section 12-263b of the general statutes is repealed and the  
58 following is substituted in lieu thereof (*Effective May 1, 2010, and*  
59 *applicable to calendar quarters commencing on or after July 1, 2010*):

60       (a) There is hereby imposed on the hospital gross earnings of each  
61 hospital in this state a tax (1) at the rate of eleven per cent of its  
62 hospital gross earnings in each taxable quarter for taxable quarters  
63 commencing prior to October 1, 1996; (2) at the rate of nine and  
64 one-fourth per cent of its hospital gross earnings in each taxable  
65 quarter commencing on or after October 1, 1996, and prior to October  
66 1, 1997; (3) at the rate of eight and one-fourth per cent of its hospital  
67 gross earnings in each taxable quarter commencing on or after October  
68 1, 1997, and prior to October 1, 1998; (4) at the rate of seven and  
69 one-fourth per cent of its hospital gross earnings in each taxable  
70 quarter commencing on or after October 1, 1998, and prior to October  
71 1, 1999; [and] (5) at the rate of four and one-half per cent of its hospital  
72 gross earnings in each taxable quarter commencing on or after October  
73 1, 1999, and prior to April 1, 2000; and (6) at the rate of five and one-  
74 half per cent of its hospital gross earnings in each taxable quarter for  
75 taxable quarters commencing on or after July 1, 2010, and prior to July  
76 1, 2014. [The hospital gross earnings of each hospital in this state shall  
77 not be subject to the provisions of this chapter with respect to calendar  
78 quarters commencing on or after April 1, 2000.] Each hospital shall, on  
79 or before the last day of January, April, July and October of each year,  
80 render to the Commissioner of Revenue Services a return, on forms  
81 prescribed or furnished by the Commissioner of Revenue Services and

82 signed by one of its principal officers, stating specifically the name and  
83 location of such hospital, and the amounts of its hospital gross  
84 earnings, its net revenue and its gross revenue for the calendar quarter  
85 ending the last day of the preceding month. Payment shall be made  
86 with such return.

87 (b) There is established an account to be known as the "hospital  
88 equalization account" which shall be a separate, nonlapsing account  
89 within the General Fund. The Commissioner of Revenue Services shall  
90 annually segregate twenty million dollars of the revenues from the tax  
91 imposed pursuant to this section from taxable quarters commencing  
92 on or after July 1, 2010, and prior to July 1, 2014, and shall deposit such  
93 revenues in the account. Moneys in the account shall be allocated to  
94 hospitals by said commissioner according to a formula established by  
95 the joint standing committee of the General Assembly having  
96 cognizance of matters relating to appropriations for the purpose of  
97 mitigating hospital losses.

98 Sec. 4. Section 17b-192 of the 2010 supplement to the general statutes  
99 is repealed and the following is substituted in lieu thereof (*Effective*  
100 *from passage*):

101 (a) The Commissioner of Social Services shall implement a state  
102 medical assistance component of the state-administered general  
103 assistance program for persons who do not meet the categorical  
104 eligibility criteria for Medicaid on the basis of age, blindness,  
105 disability, pregnancy, being a parent or other caretaker relative of a  
106 dependent child, being a child under the age of twenty-one, or having  
107 been screened for breast or cervical cancer under the Centers for  
108 Disease Control and Prevention's National Breast and Cervical Cancer  
109 Early Detection Program and are found to need treatment for either  
110 breast or cervical cancer. Eligibility criteria concerning income shall be  
111 the same as the medically needy component of the Medicaid program,  
112 except that earned monthly gross income of up to one hundred fifty  
113 dollars shall be disregarded. Unearned income shall not be  
114 disregarded. No person who has family assets exceeding one thousand

115 dollars shall be eligible. No person shall be eligible for assistance  
116 under this section if such person made, during the three months prior  
117 to the month of application, an assignment or transfer or other  
118 disposition of property for less than fair market value. The number of  
119 months of ineligibility due to such disposition shall be determined by  
120 dividing the fair market value of such property, less any consideration  
121 received in exchange for its disposition, by five hundred dollars. Such  
122 period of ineligibility shall commence in the month in which the  
123 person is otherwise eligible for benefits. Any assignment, transfer or  
124 other disposition of property, on the part of the transferor, shall be  
125 presumed to have been made for the purpose of establishing eligibility  
126 for benefits or services unless such person provides convincing  
127 evidence to establish that the transaction was exclusively for some  
128 other purpose.

129 (b) Each person eligible for state-administered general assistance  
130 shall be entitled to receive medical care through a federally qualified  
131 health center or other primary care provider as determined by the  
132 commissioner. The Commissioner of Social Services shall determine  
133 appropriate service areas and shall, in the commissioner's discretion,  
134 contract with community health centers, other similar clinics, and  
135 other primary care providers, if necessary, to assure access to primary  
136 care services for recipients who live farther than a reasonable distance  
137 from a federally qualified health center. The commissioner shall assign  
138 and enroll eligible persons in federally qualified health centers and  
139 with any other providers contracted for the program because of access  
140 needs. Each person eligible for state-administered general assistance  
141 shall be entitled to receive hospital services. Medical services under the  
142 program shall be limited to the services provided by a federally  
143 qualified health center, hospital, or other provider contracted for the  
144 program at the commissioner's discretion because of access needs. The  
145 commissioner shall ensure that ancillary services and specialty services  
146 are provided by a federally qualified health center, hospital, or other  
147 providers contracted for the program at the commissioner's discretion.  
148 Ancillary services include, but are not limited to, radiology, laboratory,

149 and other diagnostic services not available from a recipient's assigned  
150 primary care provider, and durable medical equipment. Specialty  
151 services are services provided by a physician with a specialty that are  
152 not included in ancillary services. Ancillary or specialty services  
153 provided under the program shall not exceed such services provided  
154 under the state-administered general assistance program on July 1,  
155 2003, except for nonemergency medical transportation and vision care  
156 services which may be provided on a limited basis within available  
157 appropriations. Notwithstanding any provision of this subsection, the  
158 commissioner may provide, or require a contractor to provide, home  
159 health services or skilled nursing facility coverage for state-  
160 administered general assistance recipients being discharged from a  
161 chronic disease hospital when the provision of such services or  
162 coverage is determined to be cost effective by the commissioner.

163 (c) Pharmacy services shall be provided to recipients of state-  
164 administered general assistance through the federally qualified health  
165 center to which they are assigned or through a pharmacy with which  
166 the health center contracts. Recipients who are assigned to a  
167 community health center or similar clinic or primary care provider  
168 other than a federally qualified health center or to a federally qualified  
169 health center that does not have a contract for pharmacy services shall  
170 receive pharmacy services at pharmacies designated by the  
171 commissioner. The Commissioner of Social Services or the managed  
172 care organization or other entity performing administrative functions  
173 for the program as permitted in subsection (d) of this section, shall  
174 require prior authorization for coverage of drugs for the treatment of  
175 erectile dysfunction. The commissioner or the managed care  
176 organization or other entity performing administrative functions for  
177 the program may limit or exclude coverage for drugs for the treatment  
178 of erectile dysfunction for persons who have been convicted of a sexual  
179 offense who are required to register with the Commissioner of Public  
180 Safety pursuant to chapter 969.

181 (d) The Commissioner of Social Services shall contract with  
182 federally qualified health centers or other primary care providers as

183 necessary to provide medical services to eligible state-administered  
184 general assistance recipients pursuant to this section. The  
185 commissioner shall, within available appropriations, make payments  
186 to such centers based on their pro rata share of the cost of services  
187 provided or the number of clients served, or both. The Commissioner  
188 of Social Services shall, within available appropriations, make  
189 payments to other providers based on a methodology determined by  
190 the commissioner. The Commissioner of Social Services may reimburse  
191 for extraordinary medical services, provided such services are  
192 documented to the satisfaction of the commissioner. For purposes of  
193 this section, the commissioner may contract with a managed care  
194 organization or other entity to perform administrative functions,  
195 including a grievance process for recipients to access review of a denial  
196 of coverage for a specific medical service, and to operate the program  
197 in whole or in part. Provisions of a contract for medical services  
198 entered into by the commissioner pursuant to this section shall  
199 supersede any inconsistent provision in the regulations of Connecticut  
200 state agencies. A recipient who has exhausted the grievance process  
201 established through such contract and wishes to seek further review of  
202 the denial of coverage for a specific medical service may request a  
203 hearing in accordance with the provisions of section 17b-60.

204 (e) Each federally qualified health center participating in the  
205 program shall enroll in the federal Office of Pharmacy Affairs Section  
206 340B drug discount program established pursuant to 42 USC 256b to  
207 provide pharmacy services to recipients at Federal Supply Schedule  
208 costs. Each such health center may establish an on-site pharmacy or  
209 contract with a commercial pharmacy to provide such pharmacy  
210 services.

211 (f) The Commissioner of Social Services shall, within available  
212 appropriations, make payments to hospitals for inpatient services  
213 based on their pro rata share of the cost of services provided or the  
214 number of clients served, or both. The Commissioner of Social Services  
215 shall, within available appropriations, make payments for any  
216 ancillary or specialty services provided to state-administered general

217 assistance recipients under this section based on a methodology  
218 determined by the commissioner.

219 (g) The Commissioner of Social Services shall [seek a waiver of  
220 federal law] submit to the federal government a proposed amendment  
221 to the Medicaid state plan for the purpose of extending health  
222 insurance coverage under Medicaid to persons who otherwise qualify  
223 for medical assistance under the state-administered general assistance  
224 program. [The provisions of section 17b-8 shall apply to this section. If  
225 the commissioner fails to submit the application for the waiver to the  
226 joint standing committees of the General Assembly having cognizance  
227 of matters relating to human services and appropriations by February  
228 1, 2010, the commissioner shall submit a written report to said  
229 committees not later than February 2, 2010. The report shall include,  
230 but not be limited to: (1) An explanation of the reasons for failing to  
231 seek the waiver; and (2) an estimate of the fiscal impact that would  
232 result from the approval of the waiver in one calendar year.] If such  
233 proposed amendment to the Medicaid state plan is approved by the  
234 federal government, the commissioner shall, not later than June 1,  
235 2010, implement the changes as provided in the proposed amendment.

236 [(h) Upon approval of the waiver submitted pursuant to subsection  
237 (g) of this section, the commissioner may provide, or require a  
238 contractor, federally qualified health center or other provider to  
239 provide coverage for home care services, school-based services or  
240 other outpatient community-based services for state-administered  
241 general assistance recipients when the provision of such services or  
242 coverage is determined to be cost effective by the commissioner. The  
243 commissioner shall contract with federally qualified health centers or  
244 other primary care providers as necessary to provide such services to  
245 eligible state-administered general assistance recipients pursuant to  
246 this section. The commissioner shall, within available appropriations,  
247 make payments to such centers for any home based services, school-  
248 based services or other outpatient community-based services provided  
249 by such centers.]

250 [(i)] (h) The commissioner, pursuant to section 17b-10, may  
251 implement policies and procedures to administer the provisions of this  
252 section while in the process of adopting such policies and procedures  
253 as regulation, provided the commissioner prints notice of the intent to  
254 adopt the regulation in the Connecticut Law Journal not later than  
255 twenty days after the date of implementation. Such policy shall be  
256 valid until the time final regulations are adopted.

257 Sec. 5. (NEW) (*Effective from passage*) (a) For the fiscal year ending  
258 June 30, 2010, and for each fiscal year thereafter, the funds  
259 appropriated to hospitals in the accounts Disproportionate Share -  
260 Medical Emergency Assistance, DSH - Urban Hospitals in Distressed  
261 Municipalities and Connecticut Children's Medical Center shall be  
262 transferred to the Medicaid Rates - Hospitals account for the purpose  
263 of obtaining federal matching funds. Such funds shall be used to  
264 increase each hospital's Medicaid rate to offset one hundred per cent of  
265 the hospital's loss of disproportionate share funds resulting from the  
266 transfer of such funds.

267 (b) The Commissioner of Social Services shall require each managed  
268 care organization participating in the HUSKY Plan to pay to  
269 contracting hospital providers no less than the rate established by the  
270 commissioner for the Medicaid fee-for-service program.

271 Sec. 6. Subsection (h) of section 51-81b of the 2010 supplement to the  
272 general statutes is repealed and the following is substituted in lieu  
273 thereof (*Effective from passage and applicable to taxable years commencing*  
274 *on or after January 1, 2010*):

275 (h) No person shall be liable for payment of the occupational tax  
276 under this section solely by virtue of such person having engaged in  
277 the practice of law while acting as an employee of [the state,] any  
278 political subdivision of the state or any probate court.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage and applicable to estates of decedents who die on or after January 1, 2010</i>	12-391(g)
Sec. 2	<i>from passage and applicable to gifts made during calendar years commencing on or after January 1, 2010</i>	12-642(a)
Sec. 3	<i>May 1, 2010, and applicable to calendar quarters commencing on or after July 1, 2010</i>	12-263b
Sec. 4	<i>from passage</i>	17b-192
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage and applicable to taxable years commencing on or after January 1, 2010</i>	51-81b(h)

**FIN**      *Joint Favorable Subst.*