



General Assembly

February Session, 2012

**Governor's Bill No. 30**

LCO No. 518

\*00518 \_\_\_\_\_ \*

Referred to Committee on Human Services

Introduced by:

SEN. WILLIAMS, 29<sup>th</sup> Dist.

SEN. LOONEY, 11<sup>th</sup> Dist.

REP. DONOVAN, 84<sup>th</sup> Dist.

REP. SHARKEY, 88<sup>th</sup> Dist.

**AN ACT IMPLEMENTING PROVISIONS OF THE BUDGET  
CONCERNING HUMAN SERVICES.**

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

1 Section 1. Section 17b-239 of the 2012 supplement to the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective from passage*):

4 (a) The rate to be paid by the state to hospitals receiving  
5 appropriations granted by the General Assembly and to freestanding  
6 chronic disease hospitals, providing services to persons aided or cared  
7 for by the state for routine services furnished to state patients, shall be  
8 based upon reasonable cost to such hospital, or the charge to the  
9 general public for ward services or the lowest charge for semiprivate  
10 services if the hospital has no ward facilities, imposed by such  
11 hospital, whichever is lowest, except to the extent, if any, that the  
12 commissioner determines that a greater amount is appropriate in the

13 case of hospitals serving a disproportionate share of indigent patients.  
14 Such rate shall be promulgated annually by the Commissioner of  
15 Social Services. Nothing contained in this section shall authorize a  
16 payment by the state for such services to any such hospital in excess of  
17 the charges made by such hospital for comparable services to the  
18 general public. Notwithstanding the provisions of this section, for the  
19 rate period beginning July 1, 2000, rates paid to freestanding chronic  
20 disease hospitals and freestanding psychiatric hospitals shall be  
21 increased by three per cent. For the rate period beginning July 1, 2001,  
22 a freestanding chronic disease hospital or freestanding psychiatric  
23 hospital shall receive a rate that is two and one-half per cent more than  
24 the rate it received in the prior fiscal year and such rate shall remain  
25 effective until December 31, 2002. Effective January 1, 2003, a  
26 freestanding chronic disease hospital or freestanding psychiatric  
27 hospital shall receive a rate that is two per cent more than the rate it  
28 received in the prior fiscal year. Notwithstanding the provisions of this  
29 subsection, for the period commencing July 1, 2001, and ending June  
30 30, 2003, the commissioner may pay an additional total of no more  
31 than three hundred thousand dollars annually for services provided to  
32 long-term ventilator patients. For purposes of this subsection, "long-  
33 term ventilator patient" means any patient at a freestanding chronic  
34 disease hospital on a ventilator for a total of sixty days or more in any  
35 consecutive twelve-month period. Effective July 1, 2007, each  
36 freestanding chronic disease hospital shall receive a rate that is four  
37 per cent more than the rate it received in the prior fiscal year.

38 (b) Effective October 1, 1991, the rate to be paid by the state for the  
39 cost of special services rendered by such hospitals shall be established  
40 annually by the commissioner for each such hospital based on the  
41 reasonable cost to each hospital of such services furnished to state  
42 patients. Nothing contained herein shall authorize a payment by the  
43 state for such services to any such hospital in excess of the charges  
44 made by such hospital for comparable services to the general public.

45 (c) The term "reasonable cost" as used in this section means the cost

46 of care furnished such patients by an efficient and economically  
47 operated facility, computed in accordance with accepted principles of  
48 hospital cost reimbursement. The commissioner may adjust the rate of  
49 payment established under the provisions of this section for the year  
50 during which services are furnished to reflect fluctuations in hospital  
51 costs. Such adjustment may be made prospectively to cover anticipated  
52 fluctuations or may be made retroactive to any date subsequent to the  
53 date of the initial rate determination for such year or in such other  
54 manner as may be determined by the commissioner. In determining  
55 "reasonable cost" the commissioner may give due consideration to  
56 allowances for fully or partially unpaid bills, reasonable costs  
57 mandated by collective bargaining agreements with certified collective  
58 bargaining agents or other agreements between the employer and  
59 employees, provided "employees" shall not include persons employed  
60 as managers or chief administrators, requirements for working capital  
61 and cost of development of new services, including additions to and  
62 replacement of facilities and equipment. The commissioner shall not  
63 give consideration to amounts paid by the facilities to employees as  
64 salary, or to attorneys or consultants as fees, where the responsibility  
65 of the employees, attorneys or consultants is to persuade or seek to  
66 persuade the other employees of the facility to support or oppose  
67 unionization. Nothing in this subsection shall prohibit the  
68 commissioner from considering amounts paid for legal counsel related  
69 to the negotiation of collective bargaining agreements, the settlement  
70 of grievances or normal administration of labor relations.

71 (d) The state shall also pay to such hospitals for each outpatient  
72 clinic and emergency room visit a reasonable rate to be established  
73 annually by the commissioner for each hospital, such rate to be  
74 determined by the reasonable cost of such services. The emergency  
75 room visit rates in effect June 30, 1991, shall remain in effect through  
76 June 30, 1993, except those which would have been decreased effective  
77 July 1, 1991, or July 1, 1992, shall be decreased. Nothing contained  
78 herein shall authorize a payment by the state for such services to any  
79 hospital in excess of the charges made by such hospital for comparable

80 services to the general public. For those outpatient hospital services  
81 paid on the basis of a ratio of cost to charges, the ratios in effect June  
82 30, 1991, shall be reduced effective July 1, 1991, by the most recent  
83 annual increase in the consumer price index for medical care. For those  
84 outpatient hospital services paid on the basis of a ratio of cost to  
85 charges, the ratios computed to be effective July 1, 1994, shall be  
86 reduced by the most recent annual increase in the consumer price  
87 index for medical care. The emergency room visit rates in effect June  
88 30, 1994, shall remain in effect through December 31, 1994. The  
89 Commissioner of Social Services shall establish a fee schedule for  
90 outpatient hospital services to be effective on and after January 1, 1995,  
91 and may annually modify such fee schedule if such modification is  
92 needed to ensure that the conversion to an administrative services  
93 organization is cost neutral to hospitals in the aggregate and ensures  
94 patient access. Utilization shall not be a factor in determining cost  
95 neutrality. Except with respect to the rate periods beginning July 1,  
96 1999, and July 1, 2000, such fee schedule shall be adjusted annually  
97 beginning July 1, 1996, to reflect necessary increases in the cost of  
98 services. Notwithstanding the provisions of this subsection, the fee  
99 schedule for the rate period beginning July 1, 2000, shall be increased  
100 by ten and one-half per cent, effective June 1, 2001. Notwithstanding  
101 the provisions of this subsection, outpatient rates in effect as of June 30,  
102 2003, shall remain in effect through June 30, 2005. Effective July 1, 2006,  
103 subject to available appropriations, the commissioner shall increase  
104 outpatient service fees for services that may include clinic, emergency  
105 room, magnetic resonance imaging, and computerized axial  
106 tomography.

107 (e) The commissioner shall adopt regulations, in accordance with  
108 the provisions of chapter 54, establishing criteria for defining  
109 emergency and nonemergency visits to hospital emergency rooms. All  
110 nonemergency visits to hospital emergency rooms shall be paid at the  
111 hospital's outpatient clinic services rate. Nothing contained in this  
112 subsection or the regulations adopted hereunder shall authorize a  
113 payment by the state for such services to any hospital in excess of the

114 charges made by such hospital for comparable services to the general  
115 public.

116 (f) On and after October 1, 1984, the state shall pay to an acute care  
117 general hospital for the inpatient care of a patient who no longer  
118 requires acute care a rate determined by the following schedule: For  
119 the first seven days following certification that the patient no longer  
120 requires acute care the state shall pay the hospital at a rate of fifty per  
121 cent of the hospital's actual cost; for the second seven-day period  
122 following certification that the patient no longer requires acute care the  
123 state shall pay seventy-five per cent of the hospital's actual cost; for the  
124 third seven-day period following certification that the patient no  
125 longer requires acute care and for any period of time thereafter, the  
126 state shall pay the hospital at a rate of one hundred per cent of the  
127 hospital's actual cost. On and after July 1, 1995, no payment shall be  
128 made by the state to an acute care general hospital for the inpatient  
129 care of a patient who no longer requires acute care and is eligible for  
130 Medicare unless the hospital does not obtain reimbursement from  
131 Medicare for that stay.

132 [(g) Effective June 1, 2001, the commissioner shall establish inpatient  
133 hospital rates in accordance with the method specified in regulations  
134 adopted pursuant to this section and applied for the rate period  
135 beginning October 1, 2000, except that the commissioner shall update  
136 each hospital's target amount per discharge to the actual allowable cost  
137 per discharge based upon the 1999 cost report filing multiplied by  
138 sixty-two and one-half per cent if such amount is higher than the target  
139 amount per discharge for the rate period beginning October 1, 2000, as  
140 adjusted for the ten per cent incentive identified in Section 4005 of  
141 Public Law 101-508. If a hospital's rate is increased pursuant to this  
142 subsection, the hospital shall not receive the ten per cent incentive  
143 identified in Section 4005 of Public Law 101-508. For rate periods  
144 beginning October 1, 2001, through September 30, 2006, the  
145 commissioner shall not apply an annual adjustment factor to the target  
146 amount per discharge. Effective April 1, 2005, the revised target

147 amount per discharge for each hospital with a target amount per  
148 discharge less than three thousand seven hundred fifty dollars shall be  
149 three thousand seven hundred fifty dollars. Effective October 1, 2007,  
150 the commissioner, in consultation with the Secretary of the Office of  
151 Policy and Management, shall establish, within available  
152 appropriations, an increased target amount per discharge of not less  
153 than four thousand two hundred fifty dollars for each hospital with a  
154 target amount per discharge less than four thousand two hundred fifty  
155 dollars for the rate period ending September 30, 2007, and the  
156 commissioner may apply an annual adjustment factor to the target  
157 amount per discharge for hospitals that are not increased as a result of  
158 this adjustment. Not later than October 1, 2008, the commissioner shall  
159 submit a report to the joint standing committees of the General  
160 Assembly having cognizance of matters relating to public health,  
161 human services and appropriations and the budgets of state agencies  
162 identifying any increased target amount per discharge established or  
163 annual adjustment factor applied on or after October 1, 2006, and the  
164 associated cost increase estimates related to such actions.]

165 Sec. 2. Subsection (a) of section 17b-282c of the general statutes is  
166 repealed and the following is substituted in lieu thereof (*Effective July*  
167 *1, 2012*):

168 (a) Dental benefit limitations shall apply to each client regardless of  
169 the number of providers serving the client. All nonemergency dental  
170 services provided under the Department of Social Services' dental  
171 programs, as described in section 17b-282b, shall be subject to prior  
172 authorization. Nonemergency services that are exempt from the prior  
173 authorization process shall include diagnostic, prevention, basic  
174 restoration procedures and nonsurgical extractions that are consistent  
175 with standard and reasonable dental practices. The commissioner may  
176 recoup payments for services that are determined not to be for an  
177 emergency condition or otherwise in excess of what is medically  
178 necessary. The commissioner shall periodically, but not less than  
179 quarterly, review payments for emergency dental services and basic

180 restoration procedures for appropriateness of payment. For the  
181 purposes of this section, "emergency condition" means a dental  
182 condition manifesting itself by acute symptoms of sufficient severity,  
183 including severe pain, such that a prudent layperson, who possesses  
184 an average knowledge of health and medicine, could reasonably  
185 expect the absence of immediate dental attention to result in placing  
186 the health of the individual, or with respect to a pregnant woman, the  
187 health of the woman or her unborn child, in serious jeopardy, cause  
188 serious impairment to body functions or cause serious dysfunction of  
189 any body organ or part.

190 Sec. 3. Subsection (b) of section 17b-239c of the 2012 supplement to  
191 the general statutes is repealed and the following is substituted in lieu  
192 thereof (*Effective from passage*):

193 (b) Effective July 1, 2011, interim payments made to hospitals  
194 pursuant to this section for the succeeding [fifteen] twenty-seven  
195 months shall be based on 2009 federal fiscal year data and may be  
196 adjusted at the commissioner's discretion for accuracy. Effective  
197 October 1, [2012] 2013, interim payments shall be based on the most  
198 recent federal fiscal year data available. For federal fiscal year 2011 and  
199 succeeding federal fiscal years, final disproportionate share payment  
200 amounts shall be recalculated and reallocated in accordance with  
201 Section 1001(d) of Public Law 108-173, the Medicare Prescription Drug,  
202 Improvement, and Modernization Act of 2003. The commissioner shall  
203 prescribe uniform annual hospital data reporting forms. Payments  
204 made pursuant to this section shall be in addition to inpatient hospital  
205 rates determined pursuant to section 17b-239, as amended by this act.  
206 The commissioner may withhold payment to a hospital to offset  
207 money owed by the hospital to the state.

208 Sec. 4. Subsection (a) of section 17b-244 of the 2012 supplement to  
209 the general statutes is repealed and the following is substituted in lieu  
210 thereof (*Effective July 1, 2012*):

211 (a) The room and board component of the rates to be paid by the

212 state to private facilities and facilities operated by regional education  
213 service centers which are licensed to provide residential care pursuant  
214 to section 17a-227, but not certified to participate in the Title XIX  
215 Medicaid program as intermediate care facilities for persons with  
216 mental retardation, shall be determined annually by the Commissioner  
217 of Social Services, except that rates effective April 30, 1989, shall  
218 remain in effect through October 31, 1989. Any facility with real  
219 property other than land placed in service prior to July 1, 1991, shall,  
220 for the fiscal year ending June 30, 1995, receive a rate of return on real  
221 property equal to the average of the rates of return applied to real  
222 property other than land placed in service for the five years preceding  
223 July 1, 1993. For the fiscal year ending June 30, 1996, and any  
224 succeeding fiscal year, the rate of return on real property for property  
225 items shall be revised every five years. The commissioner shall, upon  
226 submission of a request by such facility, allow actual debt service,  
227 comprised of principal and interest, on the loan or loans in lieu of  
228 property costs allowed pursuant to section 17-313b-5 of the regulations  
229 of Connecticut state agencies, whether actual debt service is higher or  
230 lower than such allowed property costs, provided such debt service  
231 terms and amounts are reasonable in relation to the useful life and the  
232 base value of the property. In the case of facilities financed through the  
233 Connecticut Housing Finance Authority, the commissioner shall allow  
234 actual debt service, comprised of principal, interest and a reasonable  
235 repair and replacement reserve on the loan or loans in lieu of property  
236 costs allowed pursuant to section 17-313b-5 of the regulations of  
237 Connecticut state agencies, whether actual debt service is higher or  
238 lower than such allowed property costs, provided such debt service  
239 terms and amounts are determined by the commissioner at the time  
240 the loan is entered into to be reasonable in relation to the useful life  
241 and base value of the property. The commissioner may allow fees  
242 associated with mortgage refinancing provided such refinancing will  
243 result in state reimbursement savings, after comparing costs over the  
244 terms of the existing proposed loans. For the fiscal year ending June 30,  
245 1992, the inflation factor used to determine rates shall be one-half of

246 the gross national product percentage increase for the period between  
247 the midpoint of the cost year through the midpoint of the rate year. For  
248 fiscal year ending June 30, 1993, the inflation factor used to determine  
249 rates shall be two-thirds of the gross national product percentage  
250 increase from the midpoint of the cost year to the midpoint of the rate  
251 year. For the fiscal years ending June 30, 1996, and June 30, 1997, no  
252 inflation factor shall be applied in determining rates. The  
253 Commissioner of Social Services shall prescribe uniform forms on  
254 which such facilities shall report their costs. Such rates shall be  
255 determined on the basis of a reasonable payment for necessary  
256 services. Any increase in grants, gifts, fund-raising or endowment  
257 income used for the payment of operating costs by a private facility in  
258 the fiscal year ending June 30, 1992, shall be excluded by the  
259 commissioner from the income of the facility in determining the rates  
260 to be paid to the facility for the fiscal year ending June 30, 1993,  
261 provided any operating costs funded by such increase shall not  
262 obligate the state to increase expenditures in subsequent fiscal years.  
263 Nothing contained in this section shall authorize a payment by the  
264 state to any such facility in excess of the charges made by the facility  
265 for comparable services to the general public. The service component  
266 of the rates to be paid by the state to private facilities and facilities  
267 operated by regional education service centers which are licensed to  
268 provide residential care pursuant to section 17a-227, but not certified  
269 to participate in the Title XIX Medicaid programs as intermediate care  
270 facilities for persons with mental retardation, shall be determined  
271 annually by the Commissioner of Developmental Services in  
272 accordance with section 17b-244a. For the fiscal year ending June 30,  
273 2008, no facility shall receive a rate that is more than two per cent  
274 greater than the rate in effect for the facility on June 30, 2007, except  
275 any facility that would have been issued a lower rate effective July 1,  
276 2007, due to interim rate status or agreement with the department,  
277 shall be issued such lower rate effective July 1, 2007. For the fiscal year  
278 ending June 30, 2009, no facility shall receive a rate that is more than  
279 two per cent greater than the rate in effect for the facility on June 30,

280 2008, except any facility that would have been issued a lower rate  
281 effective July 1, 2008, due to interim rate status or agreement with the  
282 department, shall be issued such lower rate effective July 1, 2008. For  
283 the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect  
284 for the period ending June 30, 2009, shall remain in effect until June 30,  
285 2011, except that (1) the rate paid to a facility may be higher than the  
286 rate paid to the facility for the period ending June 30, 2009, if a capital  
287 improvement required by the Commissioner of Developmental  
288 Services for the health or safety of the residents was made to the  
289 facility during the fiscal years ending June 30, 2010, or June 30, 2011,  
290 [and] (2) any facility that would have been issued a lower rate for the  
291 fiscal years ending June 30, 2010, or June 30, 2011, due to interim rate  
292 status or agreement with the department, shall be issued such lower  
293 rate. For the fiscal years ending June 30, 2012, and June 30, 2013, rates  
294 in effect for the period ending June 30, 2011, shall remain in effect until  
295 June 30, 2013, except that (1) the rate paid to a facility may be higher  
296 than the rate paid to the facility for the period ending June 30, 2011, if a  
297 capital improvement required by the Commissioner of Developmental  
298 Services for the health or safety of the residents was made to the  
299 facility during the fiscal years ending June 30, 2012, or June 30, 2013,  
300 [and] (2) any facility that would have been issued a lower rate for the  
301 fiscal years ending June 30, 2012, or June 30, 2013, due to interim rate  
302 status or agreement with the department, shall be issued such lower  
303 rate, and (3) any facility that has a significant decrease in land and  
304 building costs shall receive a reduced rate to reflect the reduction in  
305 land and building costs.

306 Sec. 5. Subsection (g) of section 17b-340 of the 2012 supplement to  
307 the general statutes is repealed and the following is substituted in lieu  
308 thereof (*Effective July 1, 2012*):

309 (g) For the fiscal year ending June 30, 1993, any intermediate care  
310 facility for the mentally retarded with an operating cost component of  
311 its rate in excess of one hundred forty per cent of the median of  
312 operating cost components of rates in effect January 1, 1992, shall not

313 receive an operating cost component increase. For the fiscal year  
314 ending June 30, 1993, any intermediate care facility for the mentally  
315 retarded with an operating cost component of its rate that is less than  
316 one hundred forty per cent of the median of operating cost  
317 components of rates in effect January 1, 1992, shall have an allowance  
318 for real wage growth equal to thirty per cent of the increase  
319 determined in accordance with subsection (q) of section 17-311-52 of  
320 the regulations of Connecticut state agencies, provided such operating  
321 cost component shall not exceed one hundred forty per cent of the  
322 median of operating cost components in effect January 1, 1992. Any  
323 facility with real property other than land placed in service prior to  
324 October 1, 1991, shall, for the fiscal year ending June 30, 1995, receive a  
325 rate of return on real property equal to the average of the rates of  
326 return applied to real property other than land placed in service for the  
327 five years preceding October 1, 1993. For the fiscal year ending June 30,  
328 1996, and any succeeding fiscal year, the rate of return on real property  
329 for property items shall be revised every five years. The commissioner  
330 shall, upon submission of a request, allow actual debt service,  
331 comprised of principal and interest, in excess of property costs allowed  
332 pursuant to section 17-311-52 of the regulations of Connecticut state  
333 agencies, provided such debt service terms and amounts are  
334 reasonable in relation to the useful life and the base value of the  
335 property. For the fiscal year ending June 30, 1995, and any succeeding  
336 fiscal year, the inflation adjustment made in accordance with  
337 subsection (p) of section 17-311-52 of the regulations of Connecticut  
338 state agencies shall not be applied to real property costs. For the fiscal  
339 year ending June 30, 1996, and any succeeding fiscal year, the  
340 allowance for real wage growth, as determined in accordance with  
341 subsection (q) of section 17-311-52 of the regulations of Connecticut  
342 state agencies, shall not be applied. For the fiscal year ending June 30,  
343 1996, and any succeeding fiscal year, no rate shall exceed three  
344 hundred seventy-five dollars per day unless the commissioner, in  
345 consultation with the Commissioner of Developmental Services,  
346 determines after a review of program and management costs, that a

347 rate in excess of this amount is necessary for care and treatment of  
348 facility residents. For the fiscal year ending June 30, 2002, rate period,  
349 the Commissioner of Social Services shall increase the inflation  
350 adjustment for rates made in accordance with subsection (p) of section  
351 17-311-52 of the regulations of Connecticut state agencies to update  
352 allowable fiscal year 2000 costs to include a three and one-half per cent  
353 inflation factor. For the fiscal year ending June 30, 2003, rate period, the  
354 commissioner shall increase the inflation adjustment for rates made in  
355 accordance with subsection (p) of section 17-311-52 of the regulations  
356 of Connecticut state agencies to update allowable fiscal year 2001 costs  
357 to include a one and one-half per cent inflation factor, except that such  
358 increase shall be effective November 1, 2002, and such facility rate in  
359 effect for the fiscal year ending June 30, 2002, shall be paid for services  
360 provided until October 31, 2002, except any facility that would have  
361 been issued a lower rate effective July 1, 2002, than for the fiscal year  
362 ending June 30, 2002, due to interim rate status or agreement with the  
363 department shall be issued such lower rate effective July 1, 2002, and  
364 have such rate updated effective November 1, 2002, in accordance with  
365 applicable statutes and regulations. For the fiscal year ending June 30,  
366 2004, rates in effect for the period ending June 30, 2003, shall remain in  
367 effect, except any facility that would have been issued a lower rate  
368 effective July 1, 2003, than for the fiscal year ending June 30, 2003, due  
369 to interim rate status or agreement with the department shall be issued  
370 such lower rate effective July 1, 2003. For the fiscal year ending June  
371 30, 2005, rates in effect for the period ending June 30, 2004, shall  
372 remain in effect until September 30, 2004. Effective October 1, 2004,  
373 each facility shall receive a rate that is five per cent greater than the  
374 rate in effect September 30, 2004. Effective upon receipt of all the  
375 necessary federal approvals to secure federal financial participation  
376 matching funds associated with the rate increase provided in  
377 subdivision (4) of subsection (f) of this section, but in no event earlier  
378 than October 1, 2005, and provided the user fee imposed under section  
379 17b-320 is required to be collected, each facility shall receive a rate that  
380 is four per cent more than the rate the facility received in the prior

381 fiscal year, except any facility that would have been issued a lower rate  
382 effective October 1, 2005, than for the fiscal year ending June 30, 2005,  
383 due to interim rate status or agreement with the department, shall be  
384 issued such lower rate effective October 1, 2005. Such rate increase  
385 shall remain in effect unless: (A) The federal financial participation  
386 matching funds associated with the rate increase are no longer  
387 available; or (B) the user fee created pursuant to section 17b-320 is not  
388 in effect. For the fiscal year ending June 30, 2007, rates in effect for the  
389 period ending June 30, 2006, shall remain in effect until September 30,  
390 2006, except any facility that would have been issued a lower rate  
391 effective July 1, 2006, than for the fiscal year ending June 30, 2006, due  
392 to interim rate status or agreement with the department, shall be  
393 issued such lower rate effective July 1, 2006. Effective October 1, 2006,  
394 no facility shall receive a rate that is more than three per cent greater  
395 than the rate in effect for the facility on September 30, 2006, except any  
396 facility that would have been issued a lower rate effective October 1,  
397 2006, due to interim rate status or agreement with the department,  
398 shall be issued such lower rate effective October 1, 2006. For the fiscal  
399 year ending June 30, 2008, each facility shall receive a rate that is two  
400 and nine-tenths per cent greater than the rate in effect for the period  
401 ending June 30, 2007, except any facility that would have been issued a  
402 lower rate effective July 1, 2007, than for the rate period ending June  
403 30, 2007, due to interim rate status, or agreement with the department,  
404 shall be issued such lower rate effective July 1, 2007. For the fiscal year  
405 ending June 30, 2009, rates in effect for the period ending June 30, 2008,  
406 shall remain in effect until June 30, 2009, except any facility that would  
407 have been issued a lower rate for the fiscal year ending June 30, 2009,  
408 due to interim rate status or agreement with the department, shall be  
409 issued such lower rate. For the fiscal years ending June 30, 2010, and  
410 June 30, 2011, rates in effect for the period ending June 30, 2009, shall  
411 remain in effect until June 30, 2011, except any facility that would have  
412 been issued a lower rate for the fiscal year ending June 30, 2010, or the  
413 fiscal year ending June 30, 2011, due to interim rate status or  
414 agreement with the department, shall be issued such lower rate. For

415 the fiscal years ending June 30, 2012, and June 30, 2013, rates in effect  
416 for the period ending June 30, 2011, shall remain in effect until June 30,  
417 2013, except (1) any facility that would have been issued a lower rate  
418 for the fiscal year ending June 30, 2012, or the fiscal year ending June  
419 30, 2013, due to interim rate status or agreement with the department,  
420 shall be issued such lower rate, or (2) any facility that has a significant  
421 decrease in land and building costs shall receive a reduced rate to  
422 reflect the reduction in land and building costs. For the fiscal years  
423 ending June 30, 2012, and June 30, 2013, the Commissioner of Social  
424 Services may provide fair rent increases to any facility that has  
425 undergone a material change in circumstances related to fair rent and  
426 has an approved certificate of need pursuant to section 17b-352, 17b-  
427 353, 17b-354 or 17b-355. Notwithstanding the provisions of this section,  
428 the Commissioner of Social Services may, within available  
429 appropriations, increase rates issued to intermediate care facilities for  
430 the mentally retarded.

431 Sec. 6. (NEW) (*Effective July 1, 2012*) Notwithstanding any other  
432 provision of the general statutes, rates in effect for the fiscal year  
433 ending June 30, 2012, for residential care homes, community living  
434 arrangements and community companion homes shall remain in effect  
435 until June 30, 2013, except any facility that would have been issued a  
436 lower rate for the fiscal year ending June 30, 2013, due to reductions in  
437 land and building costs shall be issued such lower rate.

438 Sec. 7. Section 17b-261 of the 2012 supplement to the general statutes  
439 is amended by adding subsection (j) as follows (*Effective July 1, 2012*):

440 (NEW) (j) A veteran, as defined in section 27-103, and any member  
441 of his or her family, who applies for or receives assistance under the  
442 Medicaid program, shall apply for all benefits for which he or she may  
443 be eligible through the Veterans' Administration or the United States  
444 Department of Defense.

445 Sec. 8. Subsection (a) of section 17b-365 of the general statutes is  
446 repealed and the following is substituted in lieu thereof (*Effective July*

447 1, 2012):

448 (a) The Commissioner of Social Services may, within available  
449 appropriations, establish and operate a pilot program to allow  
450 individuals to receive assisted living services, provided by an assisted  
451 living services agency licensed by the Department of Public Health in  
452 accordance with chapter 368v. In order to be eligible for the program,  
453 an individual shall: (1) Reside in a managed residential community, as  
454 defined in section 19a-693; (2) be ineligible to receive assisted living  
455 services under any other assisted living pilot program established by  
456 the General Assembly; and (3) be eligible for services under the  
457 Medicaid waiver portion of the Connecticut home-care program for  
458 the elderly established under section 17b-342. The total number of  
459 individuals enrolled in said pilot program, when combined with the  
460 total number of individuals enrolled in the pilot program established  
461 pursuant to section 17b-366, as amended by this act, shall not exceed  
462 [seventy-five] one hundred twenty-five individuals. The  
463 Commissioner of Social Services shall operate said pilot program in  
464 accordance with the Medicaid rules established pursuant to 42 USC  
465 1396p(c), as from time to time amended.

466 Sec. 9. Subsection (a) of section 17b-366 of the general statutes is  
467 repealed and the following is substituted in lieu thereof (*Effective July*  
468 *1, 2012*):

469 (a) The Commissioner of Social Services may, within available  
470 appropriations, establish and operate a pilot program to allow  
471 individuals to receive assisted living services, provided by an assisted  
472 living services agency licensed by the Department of Public Health, in  
473 accordance with chapter 368v. In order to be eligible for the pilot  
474 program, an individual shall: (1) Reside in a managed residential  
475 community, as defined in section 19a-693; (2) be ineligible to receive  
476 assisted living services under any other assisted living pilot program  
477 established by the General Assembly; and (3) be eligible for services  
478 under the state-funded portion of the Connecticut home-care program

479 for the elderly established under section 17b-342. The total number of  
480 individuals enrolled in said pilot program, when combined with the  
481 total number of individuals enrolled in the pilot program established  
482 pursuant to section 17b-365, as amended by this act, shall not exceed  
483 [seventy-five] one hundred twenty-five individuals. The  
484 Commissioner of Social Services shall operate said pilot program in  
485 accordance with the Medicaid rules established pursuant to 42 USC  
486 1396p(c), as from time to time amended.

487 Sec. 10. Section 17b-605a of the general statutes is repealed and the  
488 following is substituted in lieu thereof (*Effective July 1, 2012*):

489 (a) The Commissioner of Social Services shall seek a waiver from  
490 federal law to establish a personal care assistance program for persons  
491 eighteen years of age or older with disabilities funded under the  
492 Medicaid program. Such a program shall be limited to a specified  
493 number of slots available for eligible program recipients and shall be  
494 operated by the Department of Social Services within available  
495 appropriations. Such a waiver shall be submitted to the joint standing  
496 committees of the General Assembly having cognizance of matters  
497 relating to appropriations and the budgets of state agencies and  
498 human services in accordance with section 17b-8 no later than January  
499 1, 1996.

500 (b) The Commissioner of Social Services shall amend the waiver  
501 specified in subsection (a) of this section to enable persons eligible for  
502 or receiving medical assistance under section 17b-597 to receive  
503 personal care assistance. Such amendment shall not be subject to the  
504 provisions of section 17b-8 provided such amendment shall consist  
505 only of modifications necessary to extend personal care assistance to  
506 such persons.

507 (c) Effective April 1, 2013, upon reaching sixty-five years of age,  
508 persons served under the program shall be transitioned to the  
509 Connecticut home-care program for the elderly, established pursuant  
510 to section 17b-342.

511 Sec. 11. Subsection (a) of section 17b-650a of the 2012 supplement to  
512 the general statutes is repealed and the following is substituted in lieu  
513 thereof (*Effective July 1, 2012*):

514 (a) There is created a Bureau of Rehabilitative Services. [, which  
515 shall be within the Department of Social Services for administrative  
516 purposes only.] The Department of Social Services shall provide  
517 administrative support services to said bureau until the bureau  
518 requests cessation of such services, or until June 30, 2013, whichever is  
519 earlier. Said bureau shall be responsible for: (1) Providing services to  
520 the deaf and hearing impaired; (2) providing services for the blind and  
521 visually impaired; and (3) providing rehabilitation services in  
522 accordance with the provisions of the general statutes concerning said  
523 bureau.

524 Sec. 12. Section 17b-733 of the general statutes is repealed and the  
525 following is substituted in lieu thereof (*Effective July 1, 2012*):

526 The Department of Social Services shall be the lead agency for child  
527 day care services in Connecticut. The department shall: (1) Identify,  
528 annually, existing child day care services and maintain an inventory of  
529 all available services; (2) provide technical assistance to corporations  
530 and private agencies in the development and expansion of child day  
531 care services for families at all income levels, including families of their  
532 employees and clients; (3) study and identify funding sources available  
533 for child day care including federal funds and tax benefits; (4) study  
534 the cost and availability of liability insurance for child day care  
535 providers; (5) provide, in conjunction with the Departments of  
536 Education and Higher Education, ongoing training for child day care  
537 providers including preparing videotaped workshops and distributing  
538 them to cable stations for broadcast on public access stations, and seek  
539 private donations to fund such training; (6) encourage child day care  
540 services to obtain accreditation; (7) develop a range of financing  
541 options for child care services, including the use of a tax-exempt bond  
542 program, a loan guarantee program and establishing a direct revolving

543 loan program; (8) promote the colocation of child day care and school  
544 readiness programs pursuant to section 4b-31; (9) establish a  
545 performance-based evaluation system; (10) develop for  
546 recommendation to the Governor and the General Assembly measures  
547 to provide incentives for the private sector to develop and support  
548 expanded child day care services; (11) provide, within available funds  
549 and in conjunction with the temporary family assistance program as  
550 defined in section 17b-680, child day care to public assistance  
551 recipients; (12) [develop and implement, with the assistance of the  
552 Child Day Care Council and the Departments of Public Health, Social  
553 Services, Education, Higher Education, Children and Families,  
554 Economic and Community Development and Consumer Protection, a  
555 state-wide coordinated child day care and early childhood education  
556 training system (A) for child day care centers, group day care homes  
557 and family day care homes that provide child day care services, and  
558 (B) that makes available to such providers and their staff, within  
559 available appropriations, scholarship assistance, career counseling and  
560 training, advancement in career ladders, as defined in section 4-124bb,  
561 through seamless articulation of levels of training, program  
562 accreditation support and other initiatives recommended by the  
563 Departments of Social Services, Education and Higher Education; (13)]  
564 plan and implement a unit cost reimbursement system for state-  
565 funded child day care services such that, on and after January 1, 2008,  
566 any increase in reimbursement shall be based on a requirement that  
567 such centers meet the staff qualifications, as defined in subsection (b)  
568 of section 10-16p; [(14)] (13) develop, within available funds, initiatives  
569 to increase compensation paid to child day care providers for  
570 educational opportunities, including, but not limited to, (A) incentives  
571 for educational advancement paid to persons employed by child day  
572 care centers receiving state or federal funds, and (B) support for the  
573 establishment and implementation by the Labor Commissioner of  
574 apprenticeship programs for child day care workers pursuant to  
575 sections 31-22m to 31-22q, inclusive, which programs shall be jointly  
576 administered by labor and management trustees; [(15)] (14) evaluate

577 the effectiveness of any initiatives developed pursuant to subdivision  
578 [(14)] (13) of this section in improving staff retention rates and the  
579 quality of education and care provided to children; and [(16)] (15)  
580 report annually to the Governor and the General Assembly on the  
581 status of child day care in Connecticut. Such report shall include (A) an  
582 itemization of the allocation of state and federal funds for child care  
583 programs; (B) the number of children served under each program so  
584 funded; (C) the number and type of such programs, providers and  
585 support personnel; (D) state activities to encourage partnership  
586 between the public and private sectors; (E) average payments issued  
587 by the state for both part-time and full-time child care; (F) range of  
588 family income and percentages served within each range by such  
589 programs; and (G) age range of children served.

590 Sec. 13. Section 17b-737 of the general statutes is repealed and the  
591 following is substituted in lieu thereof (*Effective July 1, 2012*):

592 The Commissioner of [Social Services] Education shall establish a  
593 program, within available appropriations, to provide grants to  
594 municipalities, boards of education and child care providers to  
595 encourage the use of school facilities for the provision of child day care  
596 services before and after school. In order to qualify for a grant, a  
597 municipality, board of education or child care provider shall guarantee  
598 the availability of a school site which meets the standards set by the  
599 Department of Public Health in regulations adopted under sections  
600 19a-77, 19a-79, 19a-80 and 19a-82 to 19a-87a, inclusive, and shall agree  
601 to provide liability insurance coverage for the program. Grant funds  
602 shall be used by the municipality, board of education or child care  
603 provider for the maintenance and utility costs directly attributable to  
604 the use of the school facility for the day care program, for related  
605 transportation costs and for the portion of the municipality, board of  
606 education or child care provider liability insurance cost and other  
607 operational costs directly attributable to the day care program. The  
608 municipality or board of education may contract with a child day care  
609 provider for the program. The Commissioner of [Social Services]

610 Education may adopt regulations, in accordance with the provisions of  
611 chapter 54, for purposes of this section. [The commissioner may utilize  
612 available child care subsidies to implement the provisions of this  
613 section and encourage association and cooperation with the Head Start  
614 program established pursuant to section 10-16n.]

615 Sec. 14. Section 19a-495a of the general statutes is repealed and the  
616 following is substituted in lieu thereof (*Effective July 1, 2012*):

617 (a) (1) The Commissioner of Public Health shall adopt regulations,  
618 [as provided in subsection (d) of this section,] in accordance with the  
619 provisions of chapter 54, to require each residential care home, as  
620 defined in section 19a-490, that admits residents requiring assistance  
621 with medication administration, and each home health care agency, as  
622 defined in section 19a-490, that serves clients requiring assistance with  
623 medication administration to (A) designate unlicensed personnel to  
624 obtain certification for the administration of medication, and (B) to  
625 ensure that such unlicensed personnel receive such certification.

626 (2) The regulations shall establish criteria to be used by such homes  
627 and agencies in determining (A) the appropriate number of unlicensed  
628 personnel who shall obtain such certification, and (B) training  
629 requirements, including on-going training requirements for such  
630 certification. Training requirements shall include, but shall not be  
631 limited to: Initial orientation, resident rights, identification of the types  
632 of medication that may be administered by unlicensed personnel,  
633 behavioral management, personal care, nutrition and food safety, and  
634 health and safety in general.

635 (b) Each residential care home, as defined in section 19a-490, shall  
636 ensure that, on or before January 1, 2010, an appropriate number of  
637 unlicensed personnel, as determined by the residential care home,  
638 obtain certification for the administration of medication. Each home  
639 health care agency, as defined in section 19a-490, shall ensure that, on  
640 or before January 1, 2013, an appropriate number of unlicensed  
641 personnel, as determined by the home health care agency, obtain

642 certification for the administration of medication. Certification of such  
643 personnel shall be in accordance with regulations adopted pursuant to  
644 this section. Unlicensed personnel obtaining such certification may  
645 administer medications that are not administered by injection to  
646 residents of such homes, or clients of such home health care agencies,  
647 unless a resident's physician specifies that a medication only be  
648 administered by licensed personnel.

649 (c) On and after October 1, 2007, unlicensed assistive personnel  
650 employed in residential care homes, as defined in section 19a-490, may  
651 (1) obtain and document residents' blood pressures and temperatures  
652 with digital medical instruments that (A) contain internal decision-  
653 making electronics, microcomputers or special software that allow the  
654 instruments to interpret physiologic signals, and (B) do not require the  
655 user to employ any discretion or judgment in their use; (2) obtain and  
656 document residents' weight; and (3) assist residents in the use of  
657 glucose monitors to obtain and document their blood glucose levels.

658 (d) The Commissioner of Public Health may implement policies and  
659 procedures necessary to administer the provisions of this section while  
660 in the process of adopting such policies and procedures as regulation,  
661 provided the commissioner prints notice of intent to adopt regulations  
662 in the Connecticut Law Journal not later than twenty days after the  
663 date of implementation. Policies and procedures implemented  
664 pursuant to this section shall be valid until the time final regulations  
665 are adopted.

666 (e) A nurse licensed pursuant to the provisions of chapter 378 who  
667 delegates the task of medication administration to unlicensed  
668 personnel pursuant to this section shall not be subject to disciplinary  
669 action based on the performance of the unlicensed personnel to whom  
670 medication administration is delegated unless the unlicensed  
671 personnel is acting pursuant to specific instructions from the nurse or  
672 the nurse fails to leave instructions when the nurse should have done  
673 so.

674        (f) Each plan of care established by a home health care agency, as  
 675        defined in section 19a-490, for a client who lives in the community and  
 676        receives medication to treat a psychiatric disorder shall include a  
 677        statement of the agency's recommendation as to the frequency with  
 678        which licensed personnel shall be required to administer such  
 679        medication for the purpose of monitoring the client's health and safety.

680        Sec. 15. Section 17b-112k of the 2012 supplement to the general  
 681        statutes and sections 17b-688j and 19a-617c of the general statutes are  
 682        repealed. *(Effective July 1, 2012)*

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	17b-239
Sec. 2	<i>July 1, 2012</i>	17b-282c(a)
Sec. 3	<i>from passage</i>	17b-239c(b)
Sec. 4	<i>July 1, 2012</i>	17b-244(a)
Sec. 5	<i>July 1, 2012</i>	17b-340(g)
Sec. 6	<i>July 1, 2012</i>	New section
Sec. 7	<i>July 1, 2012</i>	17b-261
Sec. 8	<i>July 1, 2012</i>	17b-365(a)
Sec. 9	<i>July 1, 2012</i>	17b-366(a)
Sec. 10	<i>July 1, 2012</i>	17b-605a
Sec. 11	<i>July 1, 2012</i>	17b-650a(a)
Sec. 12	<i>July 1, 2012</i>	17b-733
Sec. 13	<i>July 1, 2012</i>	17b-737
Sec. 14	<i>July 1, 2012</i>	19a-495a
Sec. 15	<i>July 1, 2012</i>	Repealer section

**Statement of Purpose:**

To implement the Governor's budget recommendations.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*