



General Assembly

February Session, 2014

Raised Bill No. 104

LCO No. 1051



Referred to Committee on HUMAN SERVICES

Introduced by:
(HS)

AN ACT PROVIDING FINANCIAL RELIEF TO NURSING HOMES FOR UNCOMPENSATED CARE.

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

1 Section 1. Section 17b-340c of the 2014 supplement to the general
2 statutes is amended by adding subsection (c) as follows (*Effective July 1,*
3 *2014*):

4 (NEW) (c) Notwithstanding the provisions of subsections (a) and (b)
5 of this section, the Commissioner of Social Services shall make an
6 advance payment to a nursing facility, upon any such facility's request
7 made not later than January 1, 2015, whenever the facility is providing
8 uncompensated services to one or more residents (1) whose
9 application for long-term medical assistance has been pending for
10 more than ninety days, or (2) when payment has not been made to the
11 facility within thirty days after the date such application has been
12 approved. Any such advance payment shall not exceed fifty per cent of
13 the estimated amount due for the uncompensated services. Not later
14 than thirty days after any such application is granted and payment has
15 been made to the facility, or after any such application has been

16 denied, the commissioner shall recover advance payments made
17 pursuant to this subsection by reducing any payments due to the
18 facility.

19 Sec. 2. Section 17b-320 of the general statutes is repealed and the
20 following is substituted in lieu thereof (*Effective July 1, 2014*):

21 (a) For purposes of this section and section 17b-321:

22 (1) "Commissioner" means the Commissioner of Revenue Services;

23 (2) "Department" means the Department of Revenue Services;

24 (3) "Nursing home" means any licensed chronic and convalescent
25 nursing home or a rest home with nursing supervision, but does not
26 include, upon approval of the waiver of federal requirements for
27 uniform and broad-based user fees in accordance with 42 CFR 433.68,
28 pursuant to section 17b-323, any nursing home that is owned and
29 operated as of May 1, 2005, by the legal entity that is registered as a
30 continuing care facility with the Department of Social Services in
31 accordance with section 17b-521, regardless of whether such nursing
32 home participates in the Medicaid program and any nursing home
33 licensed after May 1, 2005, that is owned and operated by the legal
34 entity that is registered as a continuing care facility with the
35 Department of Social Services in accordance with section 17b-521;

36 (4) "Medicare day" means a day of nursing home care service
37 provided to an individual who is eligible for payment, in full or with a
38 coinsurance requirement, under the federal Medicare program,
39 including fee for service and managed care coverage;

40 (5) "Resident day" means a day of nursing home care service
41 provided to an individual and includes the day a resident is admitted
42 and any day for which the nursing home is eligible for payment for
43 reserving a resident's bed due to hospitalization or temporary leave
44 and for the date of death. For purposes of this subdivision, a day of

45 nursing home care service shall be the period of time between the
46 census-taking hour in a nursing home on two successive calendar
47 days. "Resident day" does not include a Medicare day or the day a
48 resident is discharged;

49 (6) "Nursing home net revenue" means amounts billed by a nursing
50 home for all room, board and ancillary services, minus (A) contractual
51 allowances, (B) payer discounts, (C) charity care, and (D) bad debts;
52 and

53 (7) "Contractual allowances" means the amount of discounts
54 allowed by a nursing home to certain payers from amounts billed for
55 room, board and ancillary services.

56 (b) (1) (A) For each calendar quarter commencing on or after July 1,
57 2005, there is hereby imposed a resident day user fee on each nursing
58 home in this state, which fee shall be the product of the nursing home's
59 total resident days during the calendar quarter multiplied by the user
60 fee, as determined by the Commissioner of Social Services pursuant to
61 subsection (a) of section 17b-321.

62 (B) Commencing with the calendar quarter in which approval of the
63 waiver of federal requirements for uniform and broad-based user fees
64 in accordance with 42 CFR 433.68 pursuant to section 17b-323 is
65 granted, the resident day user fee shall be the product of the nursing
66 home's total resident days during the calendar quarter multiplied by
67 the user fee, as redetermined by the Commissioner of Social Services
68 pursuant to subsection (b) of section 17b-321.

69 (2) Each nursing home shall, on or before the last day of January,
70 April, July, and October of each year, render to the commissioner a
71 return, on forms prescribed or furnished by the commissioner, stating
72 the nursing home's total resident days during the calendar quarter
73 ending on the last day of the preceding month and stating such other
74 information as the commissioner deems necessary for the proper
75 administration of this section. The resident day user fee imposed

76 under this section shall be due and payable on, [the due date of such
77 return] or before the fifteenth day of February, May, August and
78 November of each year, except that no such resident day user fee shall
79 be due and payable if a nursing home is providing uncompensated
80 services to one or more residents (A) whose application for long-term
81 medical assistance has been pending for more than ninety days, or (B)
82 when payment has not been made to the nursing home within thirty
83 days from the date such application was approved. Each nursing home
84 shall be required to file such return electronically with the department
85 and to make such payment by electronic funds transfer in the manner
86 provided by chapter 228g, irrespective of whether the nursing home
87 would have otherwise been required to file such return electronically
88 or to make such payment by electronic funds transfer under the
89 provisions of said chapter 228g.

90 (c) Whenever such resident day user fee is not paid when due, a
91 penalty of ten per cent of the amount due or fifty dollars, whichever is
92 greater, shall be imposed, and interest at the rate of one per cent per
93 month or fraction thereof shall accrue on such user fee from the due
94 date of such user fee until the date of payment.

95 (d) The commissioner shall notify the Commissioner of Social
96 Services of any amount delinquent under [sections 17b-320 to 17b-323,
97 inclusive] this section and section 17b-321, and, upon receipt of such
98 notice, the Commissioner of Social Services shall deduct and withhold
99 such amount from amounts otherwise payable by the Department of
100 Social Services to the delinquent nursing home, except that no such
101 deduction or withholding shall be made if a nursing home is providing
102 uncompensated services to one or more residents (1) whose
103 application for long-term care medical assistance has been pending for
104 more than ninety days, or (2) when payment has not been made to the
105 nursing home within thirty days from the date such application has
106 been approved.

107 (e) The provisions of section 12-548, sections 12-550 to 12-554,

108 inclusive, and section 12-555a shall apply to the provisions of this
109 section in the same manner and with the same force and effect as if the
110 language of said sections had been incorporated in full into this section
111 and had expressly referred to the user fee imposed under this section,
112 except to the extent that any provision is inconsistent with a provision
113 in this section. For purposes of section 12-39g, the resident day user fee
114 shall be treated as a tax.

115 (f) The commissioner may enter into an agreement with the
116 Commissioner of Social Services delegating to the Commissioner of
117 Social Services the authority to examine the records and returns of any
118 nursing home subject to the resident day user fee imposed under this
119 section and to determine whether such user fee has been underpaid or
120 overpaid. If such authority is so delegated, examinations of such
121 records and returns by the Department of Social Services and
122 determinations by said department that such user fee has been
123 underpaid or overpaid, shall have the same effect as similar
124 examinations or determinations made by the Department of Revenue
125 Services.

126 (g) (1) The commissioner shall not collect the resident day user fee
127 pursuant to this section until the Commissioner of Social Services
128 informs the commissioner that all the necessary federal approvals are
129 in effect to secure federal financial participation matching funds
130 associated with the rate increases as described in subdivision (4) of
131 subsection (f) of section 17b-340.

132 (2) The commissioner shall cease to collect the resident day user fee
133 pursuant to this section if the Commissioner of Social Services informs
134 the commissioner that the federal approvals described in subdivision
135 (1) of this subsection are withheld or withdrawn.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2014	17b-340c

Sec. 2	July 1, 2014	17b-320
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Statement of Purpose:

To provide financial relief to nursing homes burdened with the cost of uncompensated care.

[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.]