
OLR Bill Analysis

sSB 104 (File 604, as amended by Senate "A")*

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

SUMMARY:

This bill delays the payment of resident day user fees by chronic and convalescent nursing homes (CCNH) and rest homes with nursing supervision (RHNS) that provide care for individuals who have pending Medicaid applications. Under the bill, CCNHs and RHNSs do not have to pay the resident day user fees for any Medicaid applicant until the Department of Social Services (DSS) has made an eligibility determination and, if the applicant is eligible, provided Medicaid payment to the nursing home for his or her care. Under the bill, when a nursing home receives (1) retroactive payment for care provided to eligible individuals or (2) a Medicaid denial and retroactive payment from another source for individuals not eligible for Medicaid, the nursing home must pay the user fees that would have otherwise been due while the application was pending.

*Senate Amendment "A" (1) narrows the definition of a Medicaid pending day and (2) explicitly requires payment of user fees from nursing homes for any Medicaid pending days once the nursing homes receive an eligibility determination and retroactive Medicaid or other payment.

EFFECTIVE DATE: July 1, 2014

CALCULATION OF RESIDENT DAY USER FEES

Most CCNHs and RHNSs must pay resident day user fees quarterly to the Department of Revenue Services (DRS). DSS calculates the fees based on the number of resident days during each calendar quarter. A "resident day" is a day of nursing home care service provided to an individual, including the day a resident is admitted, days the facility

reserves the resident's bed during a hospital stay, and the day a resident dies.

By law, Medicare days (i.e., days of service provided to someone eligible for Medicare payments) are not counted as resident days. This bill also excludes "Medicaid pending days," which it defines as days of nursing home care service provided to a Medicaid applicant pending (1) a decision on his or her eligibility and (2) Medicaid payment to the nursing home for an eligible applicant's care. Under the bill, once a nursing home receives retroactive Medicaid or other payment for the care provided to an eligible applicant while the application was pending, the nursing home must pay the resident day user fees for those Medicaid pending days.

BACKGROUND

Resident Day User Fees

Federal law allows states to impose health care-related taxes, provided such taxes are broad-based and uniformly imposed, though the federal Centers for Medicare and Medicaid Services (CMS) may waive those requirements in certain cases. Connecticut has instituted this tax as a nursing home resident day user fee. Licensed CCNHs and RHNSs must pay this fee, though CMS allowed DSS to waive the requirement for continuing care facilities (i.e., continuing care retirement facilities in which seniors may initially live in an independent apartment and later, when they become frailer, receive assisted living services there or move into an assisted living unit).

Though DSS calculates the fees, DRS collects them. Facilities must pay the fees by the last day of January, April, July, and October, and also submit returns documenting the number of resident days and other information.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Change of Reference
Yea 18 Nay 0 (03/11/2014)

Appropriations Committee

Joint Favorable Substitute

Yea 49 Nay 0 (04/01/2014)

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 48 Nay 0 (04/25/2014)