



# Senate

General Assembly

**File No. 149**

January Session, 2015

Senate Bill No. 707

*Senate, March 23, 2015*

The Committee on Aging reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING NOTIFICATION OF THE STATE'S INTEREST  
IN PROTECTING NURSING HOME RESIDENTS.***

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

1 Section 1. Section 19a-528a of the general statutes is repealed and  
2 the following is substituted in lieu thereof (*Effective October 1, 2015*):

3 (a) For any application of licensure for the acquisition of a nursing  
4 home filed after July 1, 2004, any potential nursing home licensee or  
5 owner shall submit in writing, a change in ownership application with  
6 respect to the facility for which the change in ownership is sought.  
7 [Such] The application shall be prescribed by the Commissioner of  
8 Public Health. The first page of the application shall include the  
9 following statement: "NOTICE: The State of Connecticut values the  
10 quality of care provided to all of our residents. Please know that any  
11 nursing home licensee, owner or officer, including, but not limited to, a  
12 director, trustee, limited partner, managing partner, general partner or  
13 any person having at least a ten per cent ownership interest in the  
14 nursing home or the entity that owns the nursing home, and any

15 administrator, assistant administrator, medical director, director of  
16 nursing or assistant director of nursing may be subject to civil and  
17 criminal liability, as well as administrative sanctions under applicable  
18 federal and state law, for the abuse or neglect of a resident of the  
19 nursing home perpetrated by an employee of the nursing home.". The  
20 application shall also include [such information as the Commissioner  
21 of Public Health deems necessary and] whether such potential nursing  
22 home licensee or owner (1) has had three or more civil penalties  
23 imposed through final order of the commissioner in accordance with  
24 the provisions of sections 19a-524 to 19a-528, inclusive, or civil  
25 penalties imposed pursuant to the statutes or regulations of another  
26 state, during the two-year period preceding the application, (2) has  
27 had in any state sanctions, other than civil penalties of less than twenty  
28 thousand dollars, imposed through final adjudication under the  
29 Medicare or Medicaid program pursuant to Title XVIII or XIX of the  
30 federal Social Security Act, 42 USC 301, as from time to time amended,  
31 or (3) has had in any state such potential licensee's or owner's  
32 Medicare or Medicaid provider agreement terminated or not renewed.  
33 In the event that a potential nursing home licensee or owner's  
34 application contains information concerning civil penalties, sanctions,  
35 terminations or nonrenewals, as described in this section, the  
36 commissioner shall not approve the application to acquire another  
37 nursing home in this state for a period of five years from the date of  
38 final order on such civil penalties, final adjudication of such sanctions,  
39 or termination or nonrenewal, except for good cause shown.

40 (b) The statement that the Commissioner of Public Health is  
41 required to include on the first page of the change in ownership  
42 applications pursuant to subsection (a) of this section shall not be  
43 construed as expanding or otherwise affecting the liability that may  
44 exist at law of a nursing home licensee, owner or officer, including, but  
45 not limited to, a director, trustee, limited partner, managing partner,  
46 general partner or any person having at least a ten per cent ownership  
47 interest in the nursing home or the entity that owns the nursing home,  
48 or the liability of any administrator, assistant administrator, medical  
49 director, director of nursing or assistant director of nursing for the

50 abuse or neglect of a resident of the nursing home.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	19a-528a

**AGE**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

---

**OFA Fiscal Note****State Impact:** None**Municipal Impact:** None**Explanation**

There is no fiscal impact to the Department of Public Health (DPH) from requiring that certain language in the DPH application for nursing home ownership changes.

**The Out Years****State Impact:** None**Municipal Impact:** None

**OLR Bill Analysis****SB 707*****AN ACT CONCERNING NOTIFICATION OF THE STATE'S INTEREST IN PROTECTING NURSING HOME RESIDENTS.*****SUMMARY:**

By law, a nursing home licensee or owner must make a written application to the Department of Public (DPH) for a change in ownership. This bill requires DPH to include in the application, a statement notifying the potential nursing home licensee or owner that he or she may be held civilly or criminally liable for abuse or neglect of a resident by a nursing home employee. Specifically, it requires the following statement to be placed at the top of the first application page:

“NOTICE: The State of Connecticut values the quality of care provided to all of our residents. Please know that any nursing home licensee, owner, or officer, including but not limited to, a director, trustee, limited partner, managing partner, general partner, or any person having at least a 10% ownership interest in the nursing home or the entity that owns the nursing home, and any administrator, assistant administrator, medical director, director of nursing or assistant director of nursing may be subject to civil and criminal liability, as well as administrative sanctions under applicable federal and state law, for the abuse or neglect of a resident of the nursing home perpetrated by an employee of the nursing home.”

The bill specifies that the statement does not expand or otherwise affect any existing legal liability of nursing home owners or licensees for the neglect or abuse of residents.

EFFECTIVE DATE: October 1, 2015

---

**BACKGROUND*****DPH Applications for Nursing Home Ownership Changes***

By law, DPH must approve changes in nursing home ownership. The prospective nursing home licensee or owner must indicate in a written application whether he or she (1) has had civil penalties for nursing home violations imposed by DPH or another state during any two-year period or (2) received intermediate Medicare or Medicaid sanctions or had provider agreements for these programs terminated or not renewed. The law prohibits the DPH commissioner from approving, for a five-year period, an application to acquire a nursing home if any of these conditions are present, unless good cause is shown (CGS § 19a-528a).

***Evaluation Period for New Licensees***

If a person has not previously operated a nursing home in Connecticut, DPH can institute an “evaluation period” of up to five years from the time of initial licensure in order to assess the standard of care the nursing home provides. During this evaluation period, the person is prohibited from acquiring any additional nursing homes (CGS § 19a-493a).

**COMMITTEE ACTION**

Aging Committee

Joint Favorable

Yea 13    Nay 0    (03/05/2015)