

Human Services Committee JOINT FAVORABLE REPORT

Bill No.: SB-281

AN ACT CONCERNING PENALTIES FOR UNAUTHORIZED USE OF RATE INCREASES EARMARKED FOR STAFF WAGE ENHANCEMENTS AT

Title: NURSING HOME FACILITIES.

Vote Date: 3/17/2022

Vote Action: Joint Favorable

PH Date: 3/8/2022

File No.:

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SPONSORS OF BILL:

Human Services Committee

REASONS FOR BILL:

This legislation will make sure that facility employees will receive the rate increases earmarked for staff wage increases. It will allow DSS, after conducting an audit, to assess a civil penalty for nursing home facilities that receive a rate increase to increase employee wages but fail to use the rate increases for that purpose. It will provide significant financial incentives for facilities to timely comply with the intended transfer of designated rate increases for employee wage enhancements, now or in the future.

RESPONSE FROM ADMINISTRATION/AGENCY:

Deidre S. Gifford, Commissioner of the Department of Social Services (DSS): The Department urges passage of this bill. This is because, from time to time, legislation directs DSS to provide rate increases to nursing facilities for specific wage or benefit enhancements. But in certain circumstances, such designated rate increases are not timely transferred to facility employees as had been intended. This bill seeks to provide significant financial incentives for facilities to timely comply with the intended transfer of designated rate increases for employee wage enhancements, now or in the future.

NATURE AND SOURCES OF SUPPORT:

Matthew V. Barrett, President and CEO, Connecticut Association of Health Care Facilities/Connecticut Center for Assisted Living (CAHCF/CCAL): CAHCF/CCAL supports the department's efforts to assure compliance with these critically important wage

enhancement provisions. However, it is recommended that the provider hearing rights be guaranteed and that any penalties be stayed if a provider is exhausting appeal rights, including appeal to the Superior Court, which should be permitted under legal due process of law doctrines.

Mag Morelli, President, LeadingAge: LeadingAge understands the desire to confirm Medicaid funds are used for intended purpose. However, it is stated that there is a concern as to whether due process would be in place to ensure any resulting audit findings or civil penalties were fairly imposed and that the health care provider would have the opportunity to defend themselves against any allegations of misuse or wrongdoing. LeadingAge appreciates assurances of due process in the bill.

NATURE AND SOURCES OF OPPOSITION:

None

Reported by: Isaac Agyemang-Duah

Date: 3/21/2022