



House of Representatives

General Assembly

File No. 688

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Substitute House Bill No. 6665

House of Representatives, May 3, 2023

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING THE GOVERNOR'S BUDGET
RECOMMENDATIONS FOR HEALTH AND HUMAN SERVICES.***

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

1 Section 1. (NEW) (*Effective July 1, 2023*) (a) The Office of Policy and
2 Management shall serve as the lead agency to coordinate, where
3 possible, with the state agencies that have responsibility for providing
4 services to persons diagnosed with autism spectrum disorder.

5 (b) The Office of Policy and Management may examine and make
6 recommendations regarding the delivery of appropriate and necessary
7 services and programs for all residents of the state with autism spectrum
8 disorder. Such services and programs may include, but need not be
9 limited to: (1) Autism-specific early intervention services for any child
10 under the age of three diagnosed with autism spectrum disorder; (2)
11 education, recreation, habilitation, vocational and transition services for
12 individuals age three to twenty-one, inclusive, diagnosed with autism
13 spectrum disorder; (3) services for adults over the age of twenty-one
14 diagnosed with autism spectrum disorder; (4) housing assistance for

15 individuals diagnosed with autism spectrum disorder; (5) services that
16 address the intersection of autism services and the criminal justice
17 system; (6) coverage of autism services under commercial insurance and
18 by other payors; (7) workforce training specific to autism spectrum
19 disorder; and (8) related autism spectrum disorder services deemed
20 necessary by the Secretary of the Office of Policy and Management.

21 (c) The Office of Policy and Management shall serve as the lead state
22 agency for the purpose of the federal Combating Autism Act, P.L. 109-
23 416, as amended from time to time, and for applying for and receiving
24 funds and performing any related responsibilities concerning autism
25 spectrum disorder that are authorized pursuant to any state or federal
26 law.

27 (d) The Office of Policy and Management may make
28 recommendations to the Governor and the joint standing committees of
29 the General Assembly having cognizance of matters relating to human
30 services, public health and appropriations and the budgets of state
31 agencies concerning legislation and funding required to provide
32 necessary services to persons diagnosed with autism spectrum disorder.

33 (e) The Office of Policy and Management shall research and locate
34 possible funding streams for the continued development and
35 implementation of services for persons diagnosed with autism spectrum
36 disorder.

37 Sec. 2. (NEW) (*Effective July 1, 2023*) (a) There shall be an Autism
38 Spectrum Disorder Advisory Council which shall consist of the
39 following members: (1) The Commissioner of Social Services, or the
40 commissioner's designee; (2) the Commissioner of Children and
41 Families, or the commissioner's designee; (3) the Commissioner of
42 Education, or the commissioner's designee; (4) the Commissioner of
43 Mental Health and Addiction Services, or the commissioner's designee;
44 (5) the Commissioner of Public Health, or the commissioner's designee;
45 (6) the Commissioner of Aging and Disability Services, or the
46 commissioner's designee; (7) the Commissioner of Developmental
47 Services, or the commissioner's designee; (8) the Commissioner of Early

48 Childhood, or the commissioner's designee; (9) the Secretary of the
49 Office of Policy and Management, or the secretary's designee; (10) two
50 persons with autism spectrum disorder, one each appointed by the
51 Governor and the speaker of the House of Representatives; (11) two
52 persons who are parents or guardians of a child with autism spectrum
53 disorder, one each appointed by the Governor and the minority leader
54 of the Senate; (12) two persons who are parents or guardians of an adult
55 with autism spectrum disorder, one each appointed by the president pro
56 tempore of the Senate and the majority leader of the House of
57 Representatives; (13) two persons who are advocates for persons with
58 autism spectrum disorder, one each appointed by the Governor and the
59 speaker of the House of Representatives; (14) two persons who are
60 licensed professionals working in the field of autism spectrum disorder,
61 one each appointed by the Governor and the majority leader of the
62 Senate; (15) two persons who provide services for persons with autism
63 spectrum disorder, one each appointed by the Governor and the
64 minority leader of the House of Representatives; (16) two persons who
65 shall be representatives of an institution of higher education in the state
66 with experience in the field of autism spectrum disorder, one each
67 appointed by the Governor and the president pro tempore of the Senate;
68 (17) the executive director of the nonprofit entity designated by the
69 Governor in accordance with section 46a-10b of the general statutes to
70 serve as the Connecticut protection and advocacy system for persons
71 with disabilities, or the executive director's designee; and (18) one
72 person who is a physician who treats or diagnoses persons with autism
73 spectrum disorder, appointed by the Governor.

74 (b) The council shall have three chairpersons who shall be elected by
75 the members of the council, provided not less than two of the persons
76 elected as chairpersons by the members of the council shall be: (1) A
77 person with autism spectrum disorder appointed pursuant to
78 subdivision (10) of subsection (a) of this section, (2) a parent or guardian
79 of a child with autism spectrum disorder appointed pursuant to
80 subdivision (11) of subsection (a) of this section, or (3) a parent or
81 guardian of an adult with autism spectrum disorder appointed
82 pursuant to subdivision (12) of subsection (a) of this section.

83 (c) The council shall be within the Office of Policy and Management
84 for administrative purposes only.

85 (d) The council shall make rules for the conduct of its affairs. The
86 council shall meet not less than four times per year and at such other
87 times as requested by the chairpersons. Council members shall serve
88 without compensation.

89 (e) The council shall advise the Secretary of the Office of Policy and
90 Management concerning policies and programs for persons with autism
91 spectrum disorder and recommendations to improve coordination and
92 address gaps in autism services.

93 Sec. 3. Section 17a-215c of the general statutes is repealed and the
94 following is substituted in lieu thereof (*Effective July 1, 2023*):

95 (a) There is established a Division of Autism Spectrum Disorder
96 Services within the Department of Social Services to oversee the
97 operation of Medicaid state plan services and the Medicaid waiver
98 program for autism spectrum disorder services.

99 (b) The Department of Social Services may adopt regulations, in
100 accordance with chapter 54, to define the term "autism spectrum
101 disorder", establish eligibility standards and criteria for the receipt of
102 services by any resident of the state diagnosed with autism spectrum
103 disorder, regardless of age, and data collection, maintenance and
104 reporting processes. The Commissioner of Social Services may
105 implement policies and procedures necessary to administer the
106 provisions of this section prior to adoption of such regulations,
107 provided the commissioner shall publish notice of intent to adopt such
108 regulations not later than twenty days after implementation of such
109 policies and procedures. Any such policies and procedures shall be
110 valid until such regulations are adopted.

111 [(c) The Division of Autism Spectrum Disorder Services may, within
112 available appropriations, research, design and implement the delivery
113 of appropriate and necessary services and programs for all residents of

114 the state with autism spectrum disorder. Such services and programs
115 may include the creation of: (1) Autism-specific early intervention
116 services for any child under the age of three diagnosed with autism
117 spectrum disorder; (2) education, recreation, habilitation, vocational
118 and transition services for individuals age three to twenty-one,
119 inclusive, diagnosed with autism spectrum disorder; (3) services for
120 adults over the age of twenty-one diagnosed with autism spectrum
121 disorder; and (4) related autism spectrum disorder services deemed
122 necessary by the Commissioner of Social Services.

123 (d) The Department of Social Services shall serve as the lead state
124 agency for the purpose of the federal Combating Autism Act, P.L. 109-
125 416, as amended from time to time, and for applying for and receiving
126 funds and performing any related responsibilities concerning autism
127 spectrum disorder which are authorized pursuant to any state or federal
128 law.

129 (e) The Department of Social Services may make recommendations to
130 the Governor and the joint standing committee of the General Assembly
131 having cognizance of matters relating to human services concerning
132 legislation and funding required to provide necessary services to
133 persons diagnosed with autism spectrum disorder.

134 (f) The Division of Autism Spectrum Disorder Services shall research
135 and locate possible funding streams for the continued development and
136 implementation of services for persons diagnosed with autism spectrum
137 disorder but not with intellectual disability. The division shall take all
138 necessary action to secure Medicaid reimbursement for home and
139 community-based individualized support services for adults diagnosed
140 with autism spectrum disorder but not with intellectual disability. Such
141 action may include applying for a Medicaid waiver pursuant to Section
142 1915(c) of the Social Security Act, as amended from time to time, in order
143 to secure the funding for such services.

144 (g) The Division of Autism Spectrum Disorder Services shall, within
145 available appropriations: (1) Design and implement a training initiative
146 that shall include training to develop a workforce; and (2) develop a

147 curriculum specific to autism spectrum disorder in coordination with
148 the Board of Regents for Higher Education.]

149 [(h)] (c) The case records of the Division of Autism Spectrum Disorder
150 Services maintained by the division for any purpose authorized
151 pursuant to [subsections (b) to (g), inclusive, of] this section shall be
152 subject to the same confidentiality requirements, under state and federal
153 law, that govern all client records maintained by the Department of
154 Social Services.

155 [(i)] (d) The Commissioner of Social Services may seek approval of an
156 amendment to the [state] Medicaid state plan or a waiver from federal
157 law, whichever is sufficient and most expeditious, to establish and
158 implement a Medicaid-financed home and community-based program
159 to provide community-based services and, if necessary, housing
160 assistance, to adults diagnosed with autism spectrum disorder but not
161 with intellectual disability.

162 [(j)] On or before January 1, 2008, and annually thereafter, the
163 Commissioner of Social Services, in accordance with the provisions of
164 section 11-4a, shall submit a report to the joint standing committee of
165 the General Assembly having cognizance of matters relating to human
166 services, on the status of any amendment to the state Medicaid plan or
167 waiver from federal law as described in subsection (i) of this section and
168 on the establishment and implementation of the program authorized
169 pursuant to subsection (i) of this section.

170 (k) The Autism Spectrum Disorder Advisory Council, established
171 pursuant to section 17a-215d, shall advise the Commissioner of Social
172 Services on all matters relating to autism.]

173 [(l)] (e) The Commissioner of Social Services, in consultation with the
174 Autism Spectrum Disorder Advisory Council, shall designate services
175 and interventions that demonstrate, in accordance with medically
176 established and research-based best practices, empirical effectiveness
177 for the treatment of autism spectrum disorder. The commissioner shall
178 update such designations periodically and whenever the commissioner

179 deems it necessary to conform to changes generally recognized by the
180 relevant medical community in evidence-based practices or research.

181 Sec. 4. Section 17b-112 of the general statutes is repealed and the
182 following is substituted in lieu thereof (*Effective from passage*):

183 (a) The Department of Social Services shall administer a temporary
184 family assistance program under which cash assistance shall be
185 provided to eligible families in accordance with the temporary
186 assistance for needy families program, established pursuant to the
187 Personal Responsibility and Work Opportunity Reconciliation Act of
188 1996. The Commissioner of Social Services may operate portions of the
189 temporary family assistance program as a solely state-funded program,
190 separate from the federal temporary assistance for needy families
191 program, if the commissioner determines that doing so will enable the
192 state to avoid fiscal penalties under the temporary assistance for needy
193 families program. Families receiving assistance under the solely state-
194 funded portion of the temporary family assistance program shall be
195 subject to the same conditions of eligibility as those receiving assistance
196 under the federal temporary assistance for needy families program.
197 Under the temporary family assistance program, benefits shall be
198 provided to a family for not longer than twenty-one months, except as
199 provided in subsections (b) and (c) of this section. For the purpose of
200 calculating said twenty-one-month time limit, months of assistance
201 received on and after January 1, 1996, pursuant to time limits under the
202 aid to families with dependent children program, shall be included. For
203 purposes of this section, "family" means one or more individuals who
204 apply for or receive assistance together under the temporary family
205 assistance program. If the commissioner determines that federal law
206 allows individuals not otherwise in an eligible covered group for the
207 temporary family assistance program to become covered, such family
208 may also, at the discretion of the commissioner, be composed of (1) a
209 pregnant woman, or (2) a parent, both parents or other caretaker relative
210 and at least one child who is under the age of eighteen, or who is under
211 the age of nineteen and a full-time student in a secondary school or its
212 equivalent. A caretaker relative shall be related to the child or children

213 by blood, marriage or adoption or shall be the legal guardian of such a
214 child or pursuing legal proceedings necessary to achieve guardianship.
215 If the commissioner elects to allow state eligibility consistent with any
216 change in federal law, the commissioner may administratively transfer
217 any qualifying family cases under the cash assistance portion of the
218 state-administered general assistance program to the temporary family
219 assistance program without regard to usual eligibility and enrollment
220 procedures. If such families become an ineligible coverage group under
221 the federal law, the commissioner shall administratively transfer such
222 families back to the cash assistance portion of the state-administered
223 general assistance program without regard to usual eligibility and
224 enrollment procedures to the degree that such families are eligible for
225 the state program.

226 (b) The Commissioner of Social Services shall exempt a family from
227 such time-limited benefits for circumstances including, but not limited
228 to: (1) A family with a needy caretaker relative who is incapacitated or
229 of an advanced age, as defined by the commissioner, if there is no other
230 nonexempt caretaker relative in the household; (2) a family with a needy
231 caretaker relative who is needed in the home because of the incapacity
232 of another member of the household, if there is no other nonexempt
233 caretaker relative in the household; (3) a family with a caretaker relative
234 who is not legally responsible for the dependent children in the
235 household if such relative's needs are not considered in calculating the
236 amount of the benefit and there is no other nonexempt caretaker relative
237 in the household; (4) a family with a caretaker relative caring for a child
238 who is under one year of age if there is no other nonexempt caretaker
239 relative in the household; (5) a family with a pregnant or postpartum
240 caretaker relative if a physician has indicated that such relative is unable
241 to work and there is no other nonexempt caretaker relative in the
242 household; (6) a family with a caretaker relative determined by the
243 commissioner to be unemployable and there is no other nonexempt
244 caretaker relative in the household; and (7) minor parents attending and
245 satisfactorily completing high school or high school equivalency
246 programs.

247 (c) A family who is subject to time-limited benefits may petition the
248 Commissioner of Social Services for six-month extensions of such
249 benefits. The commissioner shall grant not more than two extensions to
250 such family who has made a good faith effort to comply with the
251 requirements of the program and despite such effort has a total family
252 income at a level below the payment standard, or has encountered
253 circumstances preventing employment including, but not limited to: (1)
254 Domestic violence or physical harm to such family's children; or (2)
255 other circumstances beyond such family's control. The commissioner
256 shall disregard ninety dollars of earned income in determining
257 applicable family income. The commissioner may grant a subsequent
258 six-month extension if each adult in the family meets one or more of the
259 following criteria: (A) The adult is precluded from engaging in
260 employment activities due to domestic violence or another reason
261 beyond the adult's control; (B) the adult has two or more substantiated
262 barriers to employment including, but not limited to, the lack of
263 available child care, substance abuse or addiction, severe mental or
264 physical health problems, one or more severe learning disabilities,
265 domestic violence or a child who has a serious physical or behavioral
266 health problem; (C) the adult is working thirty-five or more hours per
267 week, is earning at least the minimum wage and continues to earn less
268 than the family's temporary family assistance payment standard; or (D)
269 the adult is employed and works less than thirty-five hours per week
270 due to (i) a documented medical impairment that limits the adult's
271 hours of employment, provided the adult works the maximum number
272 of hours that the medical condition permits, or (ii) the need to care for a
273 disabled member of the adult's household, provided the adult works the
274 maximum number of hours the adult's caregiving responsibilities
275 permit. Families receiving temporary family assistance shall be notified
276 by the department of the right to petition for such extensions.
277 Notwithstanding the provisions of this section, the commissioner shall
278 not provide benefits under the state's temporary family assistance
279 program to a family that is subject to the twenty-one month benefit limit
280 and has received benefits beginning on or after October 1, 1996, if such
281 benefits result in that family's receiving more than sixty months of time-

282 limited benefits unless that family experiences domestic violence, as
283 defined in Section 402(a)(7)(B), P.L. 104-193. For the purpose of
284 calculating said sixty-month limit: (I) A month shall count toward the
285 limit if the family receives assistance for any day of the month, provided
286 any months of temporary family assistance received during the public
287 health emergency declared by Governor Ned Lamont related to the
288 COVID-19 pandemic shall not be included, and (II) a month in which a
289 family receives temporary assistance for needy families benefits that are
290 issued from a jurisdiction other than Connecticut shall count toward the
291 limit.

292 (d) (1) Under said program, no family shall be eligible that has total
293 gross earnings exceeding the federal poverty level, however, in the
294 calculation of the benefit amount for eligible families and previously
295 eligible families that become ineligible temporarily because of receipt of
296 workers' compensation benefits by a family member who subsequently
297 returns to work immediately after the period of receipt of such benefits,
298 earned income shall be disregarded up to the federal poverty level. On
299 and after October 1, 2023, the commissioner shall not deny a family
300 assistance under said program on the basis of such family's assets unless
301 such assets exceed six thousand dollars. Except when determining
302 eligibility for a six-month extension of benefits pursuant to subsection
303 (c) of this section, the commissioner shall disregard the first fifty dollars
304 per month of income attributable to current child support that a family
305 receives in determining eligibility and benefit levels for temporary
306 family assistance. Any current child support in excess of fifty dollars per
307 month collected by the department on behalf of an eligible child shall be
308 considered in determining eligibility but shall not be considered when
309 calculating benefits and shall be taken as reimbursement for assistance
310 paid under this section, except that when the current child support
311 collected exceeds the family's monthly award of temporary family
312 assistance benefits plus fifty dollars, the current child support shall be
313 paid to the family and shall be considered when calculating benefits.

314 (2) Notwithstanding the provisions of subdivision (1) of this
315 subsection, on and after January 1, 2024, in the first month in which a

316 family's total gross earnings exceed the federal poverty level and for a
317 period not to exceed six consecutive months, the department shall
318 disregard, for purposes of eligibility, a family's total gross earnings in
319 an amount not to exceed two hundred thirty per cent of the federal
320 poverty level. If a family's total gross earnings are an amount between
321 one hundred seventy-one per cent and two hundred thirty per cent of
322 the federal poverty level, the department shall reduce the household's
323 benefit by twenty per cent for the months in which earnings are between
324 one hundred seventy-one per cent and two hundred thirty per cent of
325 the federal poverty level.

326 (e) A family receiving assistance under said program shall cooperate
327 with child support enforcement, under title IV-D of the Social Security
328 Act. A family shall be ineligible for benefits for failure to cooperate with
329 child support enforcement.

330 (f) A family leaving assistance at the end of (1) said twenty-one-
331 month time limit, including a family with income above the payment
332 standard, or (2) the sixty-month limit shall have an interview for the
333 purpose of being informed of services that may continue to be available
334 to such family, including employment services available through the
335 Labor Department. Such interview shall include (A) a determination of
336 benefits available to the family provided by the Department of Social
337 Services; and (B) a determination of whether such family is eligible for
338 supplemental nutrition assistance or Medicaid. Information and
339 referrals shall be made to such a family for services and benefits
340 including, but not limited to, the earned income tax credit, rental
341 subsidies emergency housing, employment services and energy
342 assistance.

343 (g) Notwithstanding section 17b-104, commencing on July 1, 2023, the
344 Commissioner of Social Services shall provide an annual cost-of-living
345 adjustment in temporary family assistance benefits equal to the most
346 recent percentage increase in the consumer price index for urban
347 consumers whenever funds appropriated for temporary family
348 assistance lapse at the close of any fiscal year and such adjustment has

349 not otherwise been included in the budget for the assistance program,
350 provided the increase would not create a budget deficiency in
351 succeeding years. The commissioner shall provide a prorated benefit
352 increase from such available lapsed funds in any fiscal year when such
353 funds are not sufficient to cover a cost-of-living adjustment in
354 accordance with this subsection.

355 (h) An applicant or recipient of temporary family assistance who is
356 adversely affected by a decision of the Commissioner of Social Services
357 may request and shall be provided a hearing in accordance with section
358 17b-60.

359 Sec. 5. Subsection (c) of section 17b-191 of the general statutes is
360 repealed and the following is substituted in lieu thereof (*Effective October*
361 *1, 2023*):

362 (c) To be eligible for cash assistance under the program, a person shall
363 (1) be (A) eighteen years of age or older; (B) a minor found by a court to
364 be emancipated pursuant to section 46b-150; or (C) under eighteen years
365 of age and the commissioner determines good cause for such person's
366 eligibility, and (2) not have assets exceeding [two hundred fifty] five
367 hundred dollars or, if such person is married, such person and his or her
368 spouse shall not have assets exceeding [five hundred] one thousand
369 dollars. In determining eligibility, the commissioner shall not consider
370 as income (A) Aid and Attendance pension benefits granted to a
371 veteran, as defined in section 27-103, or the surviving spouse of such
372 veteran; and (B) any tax refund or advance payment with respect to a
373 refundable credit to the same extent such refund or advance payment
374 would be disregarded under 26 USC 6409 in any federal program or
375 state or local program financed in whole or in part with federal funds.
376 No person who is a substance abuser and refuses or fails to enter
377 available, appropriate treatment shall be eligible for cash assistance
378 under the program until such person enters treatment. No person whose
379 benefits from the temporary family assistance program have terminated
380 as a result of time-limited benefits or for failure to comply with a
381 program requirement shall be eligible for cash assistance under the

382 program.

383 Sec. 6. Section 17b-601 of the general statutes is repealed and the
384 following is substituted in lieu thereof (*Effective October 1, 2023*):

385 The Commissioner of Social Services shall adopt regulations in
386 accordance with the provisions of chapter 54 establishing the method by
387 which payments are made for recipients of the state supplement
388 program who are residents of licensed residential care homes, as
389 defined in section 19a-490, and a rated housing facility, as defined in
390 section 17b-82. Such regulations shall provide for the safeguarding of
391 residents' personal funds with respect to any homes, or rated housing
392 facilities that handle such funds. Regulations concerning payment for
393 residents shall provide for payment to the licensed residential care home
394 or rated housing facility for the period during which the recipient makes
395 such home or facility his or her residence, without regard to periods
396 during which the recipient is absent, provided (1) the recipient's bed at
397 the home or facility would otherwise be available during such absence,
398 and (2) the recipient can reasonably be expected to return to the home
399 or facility before the end of the month following the month in which the
400 recipient leaves the home or facility. If the department determines that
401 a resident of a home or rated housing facility who applies for state
402 supplement benefits is eligible for such benefits, the department shall
403 pay the home or facility at a per diem or monthly rate less any applied
404 income due from the resident. The start date of eligibility for state
405 supplement benefits for an individual residing in a home or facility shall
406 be the date the person became a resident in such home or facility and
407 met all eligibility criteria for the state supplement program, but in no
408 event shall the start date be more than ninety days prior to the date the
409 department received the application for assistance. Any retroactive
410 adjustment to the rate of such a home or facility by the commissioner
411 that results in money due to such home or facility shall be made to such
412 home or facility directly, and any such adjustment that results in an
413 overpayment to the home or facility shall be paid by the home or facility
414 to the department. If a retroactive adjustment to the rate of such home
415 or facility results in a current resident becoming eligible for state

416 supplement benefits, and such resident applies for state supplement
417 benefits, the department may determine the start date of eligibility for
418 state supplement benefits to be the later of the resident's admission date
419 or the date ninety days prior to the date the department receives the
420 application.

421 Sec. 7. Subsection (a) of section 17b-244 of the general statutes is
422 repealed and the following is substituted in lieu thereof (*Effective July 1,*
423 *2023*):

424 (a) The room and board component of the rates to be paid by the state
425 to private facilities and facilities operated by regional education service
426 centers which are licensed to provide residential care pursuant to
427 section 17a-227, but not certified to participate in the Title XIX Medicaid
428 program as intermediate care facilities for individuals with intellectual
429 disabilities, shall be determined annually by the Commissioner of Social
430 Services, except that rates effective April 30, 1989, shall remain in effect
431 through October 31, 1989. Any facility with real property other than
432 land placed in service prior to July 1, 1991, shall, for the fiscal year
433 ending June 30, 1995, receive a rate of return on real property equal to
434 the average of the rates of return applied to real property other than land
435 placed in service for the five years preceding July 1, 1993. For the fiscal
436 year ending June 30, 1996, and any succeeding fiscal year, the rate of
437 return on real property for property items shall be revised every five
438 years. The commissioner shall, upon submission of a request by such
439 facility, allow actual debt service, comprised of principal and interest,
440 on the loan or loans in lieu of property costs allowed pursuant to section
441 17-313b-5 of the regulations of Connecticut state agencies, whether
442 actual debt service is higher or lower than such allowed property costs,
443 provided such debt service terms and amounts are reasonable in
444 relation to the useful life and the base value of the property. In the case
445 of facilities financed through the Connecticut Housing Finance
446 Authority, the commissioner shall allow actual debt service, comprised
447 of principal, interest and a reasonable repair and replacement reserve
448 on the loan or loans in lieu of property costs allowed pursuant to section
449 17-313b-5 of the regulations of Connecticut state agencies, whether

450 actual debt service is higher or lower than such allowed property costs,
451 provided such debt service terms and amounts are determined by the
452 commissioner at the time the loan is entered into to be reasonable in
453 relation to the useful life and base value of the property. The
454 commissioner may allow fees associated with mortgage refinancing
455 provided such refinancing will result in state reimbursement savings,
456 after comparing costs over the terms of the existing proposed loans. For
457 the fiscal year ending June 30, 1992, the inflation factor used to
458 determine rates shall be one-half of the gross national product
459 percentage increase for the period between the midpoint of the cost year
460 through the midpoint of the rate year. For fiscal year ending June 30,
461 1993, the inflation factor used to determine rates shall be two-thirds of
462 the gross national product percentage increase from the midpoint of the
463 cost year to the midpoint of the rate year. For the fiscal years ending
464 June 30, 1996, and June 30, 1997, no inflation factor shall be applied in
465 determining rates. The Commissioner of Social Services shall prescribe
466 uniform forms on which such facilities shall report their costs. Such rates
467 shall be determined on the basis of a reasonable payment for necessary
468 services. Any increase in grants, gifts, fund-raising or endowment
469 income used for the payment of operating costs by a private facility in
470 the fiscal year ending June 30, 1992, shall be excluded by the
471 commissioner from the income of the facility in determining the rates to
472 be paid to the facility for the fiscal year ending June 30, 1993, provided
473 any operating costs funded by such increase shall not obligate the state
474 to increase expenditures in subsequent fiscal years. Nothing contained
475 in this section shall authorize a payment by the state to any such facility
476 in excess of the charges made by the facility for comparable services to
477 the general public. The service component of the rates to be paid by the
478 state to private facilities and facilities operated by regional education
479 service centers which are licensed to provide residential care pursuant
480 to section 17a-227, but not certified to participate in the Title XIX
481 Medicaid programs as intermediate care facilities for individuals with
482 intellectual disabilities, shall be determined annually by the
483 Commissioner of Developmental Services in accordance with section
484 17b-244a. For the fiscal year ending June 30, 2008, no facility shall receive

485 a rate that is more than two per cent greater than the rate in effect for
486 the facility on June 30, 2007, except any facility that would have been
487 issued a lower rate effective July 1, 2007, due to interim rate status or
488 agreement with the department, shall be issued such lower rate effective
489 July 1, 2007. For the fiscal year ending June 30, 2009, no facility shall
490 receive a rate that is more than two per cent greater than the rate in effect
491 for the facility on June 30, 2008, except any facility that would have been
492 issued a lower rate effective July 1, 2008, due to interim rate status or
493 agreement with the department, shall be issued such lower rate effective
494 July 1, 2008. For the fiscal years ending June 30, 2010, and June 30, 2011,
495 rates in effect for the period ending June 30, 2009, shall remain in effect
496 until June 30, 2011, except that (1) the rate paid to a facility may be higher
497 than the rate paid to the facility for the period ending June 30, 2009, if a
498 capital improvement required by the Commissioner of Developmental
499 Services for the health or safety of the residents was made to the facility
500 during the fiscal years ending June 30, 2010, or June 30, 2011, and (2) any
501 facility that would have been issued a lower rate for the fiscal year
502 ending June 30, 2010, or June 30, 2011, due to interim rate status or
503 agreement with the department, shall be issued such lower rate. For the
504 fiscal year ending June 30, 2012, rates in effect for the period ending June
505 30, 2011, shall remain in effect until June 30, 2012, except that (A) the
506 rate paid to a facility may be higher than the rate paid to the facility for
507 the period ending June 30, 2011, if a capital improvement required by
508 the Commissioner of Developmental Services for the health or safety of
509 the residents was made to the facility during the fiscal year ending June
510 30, 2012, and (B) any facility that would have been issued a lower rate
511 for the fiscal year ending June 30, 2012, due to interim rate status or
512 agreement with the department, shall be issued such lower rate. Any
513 facility that has a significant decrease in land and building costs shall
514 receive a reduced rate to reflect such decrease in land and building costs.
515 The rate paid to a facility may be increased if a capital improvement
516 approved by the Department of Developmental Services, in consultation
517 with the Department of Social Services, for the health or safety of the
518 residents was made to the facility during the fiscal year ending June 30,
519 2014, or June 30, 2015, only to the extent such increases are within

520 available appropriations. For the fiscal years ending June 30, 2016, and
521 June 30, 2017, rates shall not exceed those in effect for the period ending
522 June 30, 2015, except the rate paid to a facility may be higher than the
523 rate paid to the facility for the period ending June 30, 2015, if a capital
524 improvement approved by the Department of Developmental Services,
525 in consultation with the Department of Social Services, for the health or
526 safety of the residents was made to the facility during the fiscal year
527 ending June 30, 2016, or June 30, 2017, to the extent such rate increases
528 are within available appropriations. For the fiscal years ending June 30,
529 2016, and June 30, 2017, and each succeeding fiscal year, any facility that
530 would have been issued a lower rate, due to interim rate status, a change
531 in allowable fair rent or agreement with the department, shall be issued
532 such lower rate. For the fiscal years ending June 30, 2018, and June 30,
533 2019, rates shall not exceed those in effect for the period ending June 30,
534 2017, except the rate paid to a facility may be higher than the rate paid
535 to the facility for the period ending June 30, 2017, if a capital
536 improvement approved by the Department of Developmental Services,
537 in consultation with the Department of Social Services, for the health or
538 safety of the residents was made to the facility during the fiscal year
539 ending June 30, 2018, or June 30, 2019, to the extent such rate increases
540 are within available appropriations. For the fiscal years ending June 30,
541 2020, and June 30, 2021, rates shall not exceed those in effect for the fiscal
542 year ending June 30, 2019, except the rate paid to a facility may be higher
543 than the rate paid to the facility for the fiscal year ending June 30, 2019,
544 if a capital improvement approved by the Department of
545 Developmental Services, in consultation with the Department of Social
546 Services, for the health or safety of the residents was made to the facility
547 during the fiscal year ending June 30, 2020, or June 30, 2021, to the extent
548 such rate increases are within available appropriations. For the fiscal
549 years ending June 30, 2022, and June 30, 2023, rates shall be based upon
550 rates in effect for the fiscal year ending June 30, 2021, inflated by the
551 gross domestic product deflator applicable to each rate year, except the
552 commissioner may, in the commissioner's discretion and within
553 available appropriations, provide pro rata fair rent increases to facilities
554 which have documented fair rent additions placed in service in the cost

555 report years ending September 30, 2020, and September 30, 2021, that
556 are not otherwise included in rates issued, or if a rate adjustment for a
557 capital improvement approved by the Department of Developmental
558 Services, in consultation with the Department of Social Services, for the
559 health or safety of the residents was made to the facility during the fiscal
560 year ending June 30, 2022, or June 30, 2023. For the fiscal years ending
561 June 30, 2024, and June 30, 2025, rates shall not exceed those in effect for
562 the fiscal year ending June 30, 2023, except the rate paid to a facility may
563 be higher than the rate paid to the facility for the fiscal year ending June
564 30, 2023, if a capital improvement approved by the Department of
565 Developmental Services, in consultation with the Department of Social
566 Services, for the health or safety of the residents was made to the facility
567 during the fiscal year ending June 30, 2024, or June 30, 2025, to the extent
568 such rate increases are within available appropriations.

569 Sec. 8. Subsection (h) of section 17b-340 of the general statutes is
570 repealed and the following is substituted in lieu thereof (*Effective July 1,*
571 *2023*):

572 (h) For the fiscal year ending June 30, 1993, any intermediate care
573 facility for individuals with intellectual disabilities with an operating
574 cost component of its rate in excess of one hundred forty per cent of the
575 median of operating cost components of rates in effect January 1, 1992,
576 shall not receive an operating cost component increase. For the fiscal
577 year ending June 30, 1993, any intermediate care facility for individuals
578 with intellectual disabilities with an operating cost component of its rate
579 that is less than one hundred forty per cent of the median of operating
580 cost components of rates in effect January 1, 1992, shall have an
581 allowance for real wage growth equal to thirty per cent of the increase
582 determined in accordance with subsection (q) of section 17-311-52 of the
583 regulations of Connecticut state agencies, provided such operating cost
584 component shall not exceed one hundred forty per cent of the median
585 of operating cost components in effect January 1, 1992. Any facility with
586 real property other than land placed in service prior to October 1, 1991,
587 shall, for the fiscal year ending June 30, 1995, receive a rate of return on
588 real property equal to the average of the rates of return applied to real

589 property other than land placed in service for the five years preceding
590 October 1, 1993. For the fiscal year ending June 30, 1996, and any
591 succeeding fiscal year, the rate of return on real property for property
592 items shall be revised every five years. The commissioner shall, upon
593 submission of a request, allow actual debt service, comprised of
594 principal and interest, in excess of property costs allowed pursuant to
595 section 17-311-52 of the regulations of Connecticut state agencies,
596 provided such debt service terms and amounts are reasonable in
597 relation to the useful life and the base value of the property. For the fiscal
598 year ending June 30, 1995, and any succeeding fiscal year, the inflation
599 adjustment made in accordance with subsection (p) of section 17-311-52
600 of the regulations of Connecticut state agencies shall not be applied to
601 real property costs. For the fiscal year ending June 30, 1996, and any
602 succeeding fiscal year, the allowance for real wage growth, as
603 determined in accordance with subsection (q) of section 17-311-52 of the
604 regulations of Connecticut state agencies, shall not be applied. For the
605 fiscal year ending June 30, 1996, and any succeeding fiscal year, no rate
606 shall exceed three hundred seventy-five dollars per day unless the
607 commissioner, in consultation with the Commissioner of
608 Developmental Services, determines after a review of program and
609 management costs, that a rate in excess of this amount is necessary for
610 care and treatment of facility residents. For the fiscal year ending June
611 30, 2002, rate period, the Commissioner of Social Services shall increase
612 the inflation adjustment for rates made in accordance with subsection
613 (p) of section 17-311-52 of the regulations of Connecticut state agencies
614 to update allowable fiscal year 2000 costs to include a three and one-half
615 per cent inflation factor. For the fiscal year ending June 30, 2003, rate
616 period, the commissioner shall increase the inflation adjustment for
617 rates made in accordance with subsection (p) of section 17-311-52 of the
618 regulations of Connecticut state agencies to update allowable fiscal year
619 2001 costs to include a one and one-half per cent inflation factor, except
620 that such increase shall be effective November 1, 2002, and such facility
621 rate in effect for the fiscal year ending June 30, 2002, shall be paid for
622 services provided until October 31, 2002, except any facility that would
623 have been issued a lower rate effective July 1, 2002, than for the fiscal

624 year ending June 30, 2002, due to interim rate status or agreement with
625 the department shall be issued such lower rate effective July 1, 2002, and
626 have such rate updated effective November 1, 2002, in accordance with
627 applicable statutes and regulations. For the fiscal year ending June 30,
628 2004, rates in effect for the period ending June 30, 2003, shall remain in
629 effect, except any facility that would have been issued a lower rate
630 effective July 1, 2003, than for the fiscal year ending June 30, 2003, due
631 to interim rate status or agreement with the department shall be issued
632 such lower rate effective July 1, 2003. For the fiscal year ending June 30,
633 2005, rates in effect for the period ending June 30, 2004, shall remain in
634 effect until September 30, 2004. Effective October 1, 2004, each facility
635 shall receive a rate that is five per cent greater than the rate in effect
636 September 30, 2004. Effective upon receipt of all the necessary federal
637 approvals to secure federal financial participation matching funds
638 associated with the rate increase provided in subdivision (4) of
639 subsection (f) of this section, but in no event earlier than October 1, 2005,
640 and provided the user fee imposed under section 17b-320 is required to
641 be collected, each facility shall receive a rate that is four per cent more
642 than the rate the facility received in the prior fiscal year, except any
643 facility that would have been issued a lower rate effective October 1,
644 2005, than for the fiscal year ending June 30, 2005, due to interim rate
645 status or agreement with the department, shall be issued such lower rate
646 effective October 1, 2005. Such rate increase shall remain in effect unless:
647 (1) The federal financial participation matching funds associated with
648 the rate increase are no longer available; or (2) the user fee created
649 pursuant to section 17b-320 is not in effect. For the fiscal year ending
650 June 30, 2007, rates in effect for the period ending June 30, 2006, shall
651 remain in effect until September 30, 2006, except any facility that would
652 have been issued a lower rate effective July 1, 2006, than for the fiscal
653 year ending June 30, 2006, due to interim rate status or agreement with
654 the department, shall be issued such lower rate effective July 1, 2006.
655 Effective October 1, 2006, no facility shall receive a rate that is more than
656 three per cent greater than the rate in effect for the facility on September
657 30, 2006, except any facility that would have been issued a lower rate
658 effective October 1, 2006, due to interim rate status or agreement with

659 the department, shall be issued such lower rate effective October 1, 2006.
660 For the fiscal year ending June 30, 2008, each facility shall receive a rate
661 that is two and nine-tenths per cent greater than the rate in effect for the
662 period ending June 30, 2007, except any facility that would have been
663 issued a lower rate effective July 1, 2007, than for the rate period ending
664 June 30, 2007, due to interim rate status, or agreement with the
665 department, shall be issued such lower rate effective July 1, 2007. For the
666 fiscal year ending June 30, 2009, rates in effect for the period ending June
667 30, 2008, shall remain in effect until June 30, 2009, except any facility that
668 would have been issued a lower rate for the fiscal year ending June 30,
669 2009, due to interim rate status or agreement with the department, shall
670 be issued such lower rate. For the fiscal years ending June 30, 2010, and
671 June 30, 2011, rates in effect for the period ending June 30, 2009, shall
672 remain in effect until June 30, 2011, except any facility that would have
673 been issued a lower rate for the fiscal year ending June 30, 2010, or the
674 fiscal year ending June 30, 2011, due to interim rate status or agreement
675 with the department, shall be issued such lower rate. For the fiscal year
676 ending June 30, 2012, rates in effect for the period ending June 30, 2011,
677 shall remain in effect until June 30, 2012, except any facility that would
678 have been issued a lower rate for the fiscal year ending June 30, 2012,
679 due to interim rate status or agreement with the department, shall be
680 issued such lower rate. For the fiscal years ending June 30, 2014, and
681 June 30, 2015, rates shall not exceed those in effect for the period ending
682 June 30, 2013, except the rate paid to a facility may be higher than the
683 rate paid to the facility for the period ending June 30, 2013, if a capital
684 improvement approved by the Department of Developmental Services,
685 in consultation with the Department of Social Services, for the health or
686 safety of the residents was made to the facility during the fiscal year
687 ending June 30, 2014, or June 30, 2015, to the extent such rate increases
688 are within available appropriations. Any facility that would have been
689 issued a lower rate for the fiscal year ending June 30, 2014, or the fiscal
690 year ending June 30, 2015, due to interim rate status or agreement with
691 the department, shall be issued such lower rate. For the fiscal years
692 ending June 30, 2016, and June 30, 2017, rates shall not exceed those in
693 effect for the period ending June 30, 2015, except the rate paid to a

694 facility may be higher than the rate paid to the facility for the period
695 ending June 30, 2015, if a capital improvement approved by the
696 Department of Developmental Services, in consultation with the
697 Department of Social Services, for the health or safety of the residents
698 was made to the facility during the fiscal year ending June 30, 2016, or
699 June 30, 2017, to the extent such rate increases are within available
700 appropriations. For the fiscal years ending June 30, 2016, and June 30,
701 2017, and each succeeding fiscal year, any facility that would have been
702 issued a lower rate, due to interim rate status, a change in allowable fair
703 rent or agreement with the department, shall be issued such lower rate.
704 For the fiscal years ending June 30, 2018, and June 30, 2019, rates shall
705 not exceed those in effect for the period ending June 30, 2017, except the
706 rate paid to a facility may be higher than the rate paid to the facility for
707 the period ending June 30, 2017, if a capital improvement approved by
708 the Department of Developmental Services, in consultation with the
709 Department of Social Services, for the health or safety of the residents
710 was made to the facility during the fiscal year ending June 30, 2018, or
711 June 30, 2019, only to the extent such rate increases are within available
712 appropriations. For the fiscal years ending June 30, 2020, and June 30,
713 2021, rates shall not exceed those in effect for the fiscal year ending June
714 30, 2019, except the rate paid to a facility may be higher than the rate
715 paid to the facility for the fiscal year ending June 30, 2019, if a capital
716 improvement approved by the Department of Developmental Services,
717 in consultation with the Department of Social Services, for the health or
718 safety of the residents was made to the facility during the fiscal year
719 ending June 30, 2020, or June 30, 2021, only to the extent such rate
720 increases are within available appropriations. For the fiscal year ending
721 June 30, 2022, rates shall not exceed those in effect for the fiscal year
722 ending June 30, 2021, except the commissioner may, in the
723 commissioner's discretion and within available appropriations, provide
724 pro rata fair rent increases to facilities that have documented fair rent
725 additions placed in service in the cost report year ending September 30,
726 2020, that are not otherwise included in rates issued. For the fiscal year
727 ending June 30, 2023, rates shall not exceed those in effect for the fiscal
728 year ending June 30, 2022, except the commissioner may, in the

729 commissioner's discretion and within available appropriations, provide
730 pro rata fair rent increases to facilities which have documented fair rent
731 additions placed in service in the cost report year ending September 30,
732 2021, that are not otherwise included in rates issued. For the fiscal years
733 ending June 30, 2022, and June 30, 2023, a facility may receive a rate
734 increase for a capital improvement approved by the Department of
735 Developmental Services, in consultation with the Department of Social
736 Services, for the health or safety of the residents during the fiscal year
737 ending June 30, 2022, or June 30, 2023, only to the extent such rate
738 increases are within available appropriations. For the fiscal year ending
739 June 30, 2024, rates shall not exceed those in effect for the fiscal year
740 ending June 30, 2023, except the commissioner may, in the
741 commissioner's discretion and within available appropriations, provide
742 pro rata fair rent increases to facilities that have documented fair rent
743 additions placed in service in the cost report year ending September 30,
744 2022, that are not otherwise included in rates issued. For the fiscal year
745 ending June 30, 2025, rates shall not exceed those in effect for the fiscal
746 year ending June 30, 2024, except the commissioner may, in the
747 commissioner's discretion and within available appropriations, provide
748 pro rata fair rent increases to facilities that have documented fair rent
749 additions placed in service in the cost report year ending September 30,
750 2023, that are not otherwise included in rates issued. For the fiscal years
751 ending June 30, 2024, and June 30, 2025, a facility may receive a rate
752 increase for a capital improvement approved by the Department of
753 Developmental Services, in consultation with the Department of Social
754 Services, for the health or safety of the residents during the fiscal year
755 ending June 30, 2024, or June 30, 2025, only to the extent such rate
756 increases are within available appropriations. Any facility that has a
757 significant decrease in land and building costs shall receive a reduced
758 rate to reflect such decrease in land and building costs. For the fiscal
759 years ending June 30, 2012, June 30, 2013, June 30, 2014, June 30, 2015,
760 June 30, 2016, June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020,
761 June 30, 2021, June 30, 2022, [and] June 30, 2023, June 30, 2024, and June
762 30, 2025, the Commissioner of Social Services may provide fair rent
763 increases to any facility that has undergone a material change in

764 circumstances related to fair rent and has an approved certificate of need
765 pursuant to section 17b-352, 17b-353, 17b-354 or 17b-355.
766 Notwithstanding the provisions of this section, the Commissioner of
767 Social Services may, within available appropriations, increase or
768 decrease rates issued to intermediate care facilities for individuals with
769 intellectual disabilities to reflect a reduction in available appropriations
770 as provided in subsection (a) of this section. For the fiscal years ending
771 June 30, 2014, and June 30, 2015, the commissioner shall not consider
772 rebasing in determining rates. Notwithstanding the provisions of this
773 subsection, effective July 1, 2021, and July 1, 2022, the commissioner
774 shall, within available appropriations, increase rates for the purpose of
775 wage and benefit enhancements for employees of intermediate care
776 facilities. Facilities that receive a rate adjustment for the purpose of wage
777 and benefit enhancements but do not provide increases in employee
778 salaries as described in this subsection on or before July 31, 2021, and
779 July 31, 2022, respectively, may be subject to a rate decrease in the same
780 amount as the adjustment by the commissioner.

781 Sec. 9. Section 17b-340d of the general statutes is repealed and the
782 following is substituted in lieu thereof (*Effective July 1, 2023*):

783 (a) The Commissioner of Social Services shall implement an acuity-
784 based methodology for Medicaid reimbursement of nursing home
785 services effective July 1, 2022. Notwithstanding section 17b-340, as
786 amended by this act, for the fiscal year ending June 30, 2023, and
787 annually thereafter, the Commissioner of Social Services shall establish
788 Medicaid rates paid to nursing home facilities based on cost years
789 ending on September thirtieth in accordance with the following:

790 (1) Case-mix adjustments to the direct care component, which will be
791 based on Minimum Data Set resident assessment data as well as cost
792 data reported for the cost year ending September 30, 2019, shall be made
793 effective beginning July 1, 2022, and updated every quarter thereafter.
794 After modeling such case-mix adjustments, the Commissioner of Social
795 Services shall evaluate impact on a facility by facility basis and, not later
796 than October 1, 2021, (A) make recommendations to the Secretary of the

797 Office of Policy and Management, and (B) submit a report on the
798 recommendations, in accordance with the provisions of section 11-4a, to
799 the joint standing committees of the General Assembly having
800 cognizance of matters relating to appropriations and the budgets of state
801 agencies and human services on any adjustments needed to facilitate the
802 transition to the new methodology on July 1, 2022. This evaluation may
803 include a review of inflationary allowances, case mix and budget
804 adjustment factors and stop loss and stop gain corridors and the ability
805 to make such adjustments within available appropriations.

806 (2) Beginning July 1, 2022, facilities will be required to comply with
807 collection and reporting of quality metrics as specified by the
808 Department of Social Services, after consultation with the nursing home
809 industry, consumers, employees and the Department of Public Health.
810 Rate adjustments based on performance on quality metrics will be
811 phased in, beginning July 1, 2022, with a period of reporting only.

812 (3) Geographic peer groupings of facilities shall be established by the
813 Department of Social Services pursuant to regulations adopted in
814 accordance with subsection (b) of this section.

815 (4) Allowable costs shall be divided into the following five cost
816 components: (A) Direct costs, which shall include salaries for nursing
817 personnel, related fringe benefits and costs for nursing personnel
818 supplied by a temporary nursing services agency; (B) indirect costs,
819 which shall include professional fees, dietary expenses, housekeeping
820 expenses, laundry expenses, supplies related to patient care, salaries for
821 indirect care personnel and related fringe benefits; (C) fair rent, which
822 shall be defined in regulations adopted in accordance with subsection
823 (b) of this section; (D) capital-related costs, which shall include property
824 taxes, insurance expenses, equipment leases and equipment
825 depreciation; and (E) administrative and general costs, which shall
826 include maintenance and operation of plant expenses, salaries for
827 administrative and maintenance personnel and related fringe benefits.
828 For (i) direct costs, the maximum cost shall be equal to one hundred
829 thirty-five per cent of the median allowable cost of that peer grouping;

830 (ii) indirect costs, the maximum cost shall be equal to one hundred
831 fifteen per cent of the state-wide median allowable cost; (iii) fair rent,
832 the amount shall be calculated utilizing the amount approved pursuant
833 to section 17b-353; (iv) capital-related costs, there shall be no maximum;
834 and (v) administrative and general costs, the maximum shall be equal to
835 the state-wide median allowable cost. For purposes of this subdivision,
836 "temporary nursing services agency" and "nursing personnel" have the
837 same meaning as provided in section 19a-118.

838 (5) For the fiscal year ending June 30, 2022, the commissioner may, in
839 the commissioner's discretion and within available appropriations,
840 provide pro rata fair rent increases to facilities which have documented
841 fair rent additions placed in service in the cost report year ending
842 September 30, 2020, that are not otherwise included in the rates issued.

843 (6) There shall be no increase to rates based on inflation or any
844 inflationary factor for the fiscal years ending June 30, 2022, and June 30,
845 2023, unless otherwise authorized under subdivision (1) of this
846 subsection. Notwithstanding section 17-311-52 of the regulations of
847 Connecticut state agencies, for the fiscal years ending June 30, 2024, and
848 June 30, 2025, there shall be no inflationary increases to rates beyond
849 those already factored into the model for the transition to an acuity-
850 based reimbursement system.

851 (7) For purposes of computing minimum allowable patient days,
852 utilization of a facility's certified beds shall be determined at a minimum
853 of ninety per cent of capacity, except for facilities that have undergone
854 a change in ownership, new facilities, and facilities which are certified
855 for additional beds which may be permitted a lower occupancy rate for
856 the first three months of operation after the effective date of licensure.

857 (8) Rates determined under this section shall comply with federal
858 laws and regulations.

859 (b) The Commissioner of Social Services may implement policies as
860 necessary to carry out the provisions of this section while in the process
861 of adopting the policies as regulations, provided that prior to

862 implementation the policies are posted (1) on the eRegulations System
863 established pursuant to section 4-173b, and (2) the Department of Social
864 Services' Internet web site.

865 Sec. 10. (*Effective July 1, 2023*) Notwithstanding the provisions of
866 subsection (a) of section 17b-244 of the general statutes, as amended by
867 this act, and subsections (a) to (i), inclusive, of section 17b-340 of the
868 general statutes, as amended by this act, or any other provision of the
869 general statutes or regulation adopted thereunder, the state rates of
870 payments in effect for the fiscal year ending June 30, 2016, for residential
871 care homes, community living arrangements and community
872 companion homes that receive the flat rate for residential services under
873 section 17-311-54 of the regulations of Connecticut state agencies shall
874 remain in effect until June 30, 2024.

875 Sec. 11. Subsection (i) of section 17b-340 of the general statutes is
876 repealed and the following is substituted in lieu thereof (*Effective July 1,*
877 *2023*):

878 (i) For the fiscal year ending June 30, 1993, any residential care home
879 with an operating cost component of its rate in excess of one hundred
880 thirty per cent of the median of operating cost components of rates in
881 effect January 1, 1992, shall not receive an operating cost component
882 increase. For the fiscal year ending June 30, 1993, any residential care
883 home with an operating cost component of its rate that is less than one
884 hundred thirty per cent of the median of operating cost components of
885 rates in effect January 1, 1992, shall have an allowance for real wage
886 growth equal to sixty-five per cent of the increase determined in
887 accordance with subsection (q) of section 17-311-52 of the regulations of
888 Connecticut state agencies, provided such operating cost component
889 shall not exceed one hundred thirty per cent of the median of operating
890 cost components in effect January 1, 1992. Beginning with the fiscal year
891 ending June 30, 1993, for the purpose of determining allowable fair rent,
892 a residential care home with allowable fair rent less than the twenty-
893 fifth percentile of the state-wide allowable fair rent shall be reimbursed
894 as having allowable fair rent equal to the twenty-fifth percentile of the

895 state-wide allowable fair rent. Beginning with the fiscal year ending
896 June 30, 1997, a residential care home with allowable fair rent less than
897 three dollars and ten cents per day shall be reimbursed as having
898 allowable fair rent equal to three dollars and ten cents per day. Property
899 additions placed in service during the cost year ending September 30,
900 1996, or any succeeding cost year shall receive a fair rent allowance for
901 such additions as an addition to three dollars and ten cents per day if
902 the fair rent for the facility for property placed in service prior to
903 September 30, 1995, is less than or equal to three dollars and ten cents
904 per day. Beginning with the fiscal year ending June 30, 2016, a
905 residential care home shall be reimbursed the greater of the allowable
906 accumulated fair rent reimbursement associated with real property
907 additions and land as calculated on a per day basis or three dollars and
908 ten cents per day if the allowable reimbursement associated with real
909 property additions and land is less than three dollars and ten cents per
910 day. For the fiscal year ending June 30, 1996, and any succeeding fiscal
911 year, the allowance for real wage growth, as determined in accordance
912 with subsection (q) of section 17-311-52 of the regulations of Connecticut
913 state agencies, shall not be applied. For the fiscal year ending June 30,
914 1996, and any succeeding fiscal year, the inflation adjustment made in
915 accordance with subsection (p) of section 17-311-52 of the regulations of
916 Connecticut state agencies shall not be applied to real property costs.
917 Beginning with the fiscal year ending June 30, 1997, minimum allowable
918 patient days for rate computation purposes for a residential care home
919 with twenty-five beds or less shall be eighty-five per cent of licensed
920 capacity. Beginning with the fiscal year ending June 30, 2002, for the
921 purposes of determining the allowable salary of an administrator of a
922 residential care home with sixty beds or less the department shall revise
923 the allowable base salary to thirty-seven thousand dollars to be annually
924 inflated thereafter in accordance with section 17-311-52 of the
925 regulations of Connecticut state agencies. The rates for the fiscal year
926 ending June 30, 2002, shall be based upon the increased allowable salary
927 of an administrator, regardless of whether such amount was expended
928 in the 2000 cost report period upon which the rates are based. Beginning
929 with the fiscal year ending June 30, 2000, and until the fiscal year ending

930 June 30, 2009, inclusive, the inflation adjustment for rates made in
931 accordance with subsection (p) of section 17-311-52 of the regulations of
932 Connecticut state agencies shall be increased by two per cent, and
933 beginning with the fiscal year ending June 30, 2002, the inflation
934 adjustment for rates made in accordance with subsection (c) of said
935 section shall be increased by one per cent. Beginning with the fiscal year
936 ending June 30, 1999, for the purpose of determining the allowable
937 salary of a related party, the department shall revise the maximum
938 salary to twenty-seven thousand eight hundred fifty-six dollars to be
939 annually inflated thereafter in accordance with section 17-311-52 of the
940 regulations of Connecticut state agencies and beginning with the fiscal
941 year ending June 30, 2001, such allowable salary shall be computed on
942 an hourly basis and the maximum number of hours allowed for a related
943 party other than the proprietor shall be increased from forty hours to
944 forty-eight hours per work week. For the fiscal year ending June 30,
945 2005, each facility shall receive a rate that is two and one-quarter per
946 cent more than the rate the facility received in the prior fiscal year,
947 except any facility that would have been issued a lower rate effective
948 July 1, 2004, than for the fiscal year ending June 30, 2004, due to interim
949 rate status or agreement with the department shall be issued such lower
950 rate effective July 1, 2004. Effective upon receipt of all the necessary
951 federal approvals to secure federal financial participation matching
952 funds associated with the rate increase provided in subdivision (4) of
953 subsection (f) of this section, but in no event earlier than October 1, 2005,
954 and provided the user fee imposed under section 17b-320 is required to
955 be collected, each facility shall receive a rate that is determined in
956 accordance with applicable law and subject to appropriations, except
957 any facility that would have been issued a lower rate effective October
958 1, 2005, than for the fiscal year ending June 30, 2005, due to interim rate
959 status or agreement with the department, shall be issued such lower rate
960 effective October 1, 2005. Such rate increase shall remain in effect unless:
961 (1) The federal financial participation matching funds associated with
962 the rate increase are no longer available; or (2) the user fee created
963 pursuant to section 17b-320 is not in effect. For the fiscal year ending
964 June 30, 2007, rates in effect for the period ending June 30, 2006, shall

965 remain in effect until September 30, 2006, except any facility that would
966 have been issued a lower rate effective July 1, 2006, than for the fiscal
967 year ending June 30, 2006, due to interim rate status or agreement with
968 the department, shall be issued such lower rate effective July 1, 2006.
969 Effective October 1, 2006, no facility shall receive a rate that is more than
970 four per cent greater than the rate in effect for the facility on September
971 30, 2006, except for any facility that would have been issued a lower rate
972 effective October 1, 2006, due to interim rate status or agreement with
973 the department, shall be issued such lower rate effective October 1, 2006.
974 For the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect
975 for the period ending June 30, 2009, shall remain in effect until June 30,
976 2011, except any facility that would have been issued a lower rate for
977 the fiscal year ending June 30, 2010, or the fiscal year ending June 30,
978 2011, due to interim rate status or agreement with the department, shall
979 be issued such lower rate, except (A) any facility that would have been
980 issued a lower rate for the fiscal year ending June 30, 2010, or the fiscal
981 year ending June 30, 2011, due to interim rate status or agreement with
982 the Commissioner of Social Services shall be issued such lower rate; and
983 (B) the commissioner may increase a facility's rate for reasonable costs
984 associated with such facility's compliance with the provisions of section
985 19a-495a concerning the administration of medication by unlicensed
986 personnel. For the fiscal year ending June 30, 2012, rates in effect for the
987 period ending June 30, 2011, shall remain in effect until June 30, 2012,
988 except that (i) any facility that would have been issued a lower rate for
989 the fiscal year ending June 30, 2012, due to interim rate status or
990 agreement with the Commissioner of Social Services shall be issued
991 such lower rate; and (ii) the commissioner may increase a facility's rate
992 for reasonable costs associated with such facility's compliance with the
993 provisions of section 19a-495a concerning the administration of
994 medication by unlicensed personnel. For the fiscal year ending June 30,
995 2013, the Commissioner of Social Services may, within available
996 appropriations, provide a rate increase to a residential care home. Any
997 facility that would have been issued a lower rate for the fiscal year
998 ending June 30, 2013, due to interim rate status or agreement with the
999 Commissioner of Social Services shall be issued such lower rate. For the

1000 fiscal years ending June 30, 2012, and June 30, 2013, the Commissioner
1001 of Social Services may provide fair rent increases to any facility that has
1002 undergone a material change in circumstances related to fair rent and
1003 has an approved certificate of need pursuant to section 17b-352, 17b-353,
1004 17b-354 or 17b-355. For the fiscal years ending June 30, 2014, and June
1005 30, 2015, for those facilities that have a calculated rate greater than the
1006 rate in effect for the fiscal year ending June 30, 2013, the commissioner
1007 may increase facility rates based upon available appropriations up to a
1008 stop gain as determined by the commissioner. No facility shall be issued
1009 a rate that is lower than the rate in effect on June 30, 2013, except that
1010 any facility that would have been issued a lower rate for the fiscal year
1011 ending June 30, 2014, or the fiscal year ending June 30, 2015, due to
1012 interim rate status or agreement with the commissioner, shall be issued
1013 such lower rate. For the fiscal year ending June 30, 2014, and each fiscal
1014 year thereafter, a residential care home shall receive a rate increase for
1015 any capital improvement made during the fiscal year for the health and
1016 safety of residents and approved by the Department of Social Services,
1017 provided such rate increase is within available appropriations. For the
1018 fiscal year ending June 30, 2015, and each succeeding fiscal year
1019 thereafter, costs of less than ten thousand dollars that are incurred by a
1020 facility and are associated with any land, building or nonmovable
1021 equipment repair or improvement that are reported in the cost year used
1022 to establish the facility's rate shall not be capitalized for a period of more
1023 than five years for rate-setting purposes. For the fiscal year ending June
1024 30, 2015, subject to available appropriations, the commissioner may, at
1025 the commissioner's discretion: Increase the inflation cost limitation
1026 under subsection (c) of section 17-311-52 of the regulations of
1027 Connecticut state agencies, provided such inflation allowance factor
1028 does not exceed a maximum of five per cent; establish a minimum rate
1029 of return applied to real property of five per cent inclusive of assets
1030 placed in service during cost year 2013; waive the standard rate of return
1031 under subsection (f) of section 17-311-52 of the regulations of
1032 Connecticut state agencies for ownership changes or health and safety
1033 improvements that exceed one hundred thousand dollars and that are
1034 required under a consent order from the Department of Public Health;

1035 and waive the rate of return adjustment under subsection (f) of section
1036 17-311-52 of the regulations of Connecticut state agencies to avoid
1037 financial hardship. For the fiscal years ending June 30, 2016, and June
1038 30, 2017, rates shall not exceed those in effect for the period ending June
1039 30, 2015, except the commissioner may, in the commissioner's discretion
1040 and within available appropriations, provide pro rata fair rent increases
1041 to facilities which have documented fair rent additions placed in service
1042 in cost report years ending September 30, 2014, and September 30, 2015,
1043 that are not otherwise included in rates issued. For the fiscal years
1044 ending June 30, 2016, and June 30, 2017, and each succeeding fiscal year,
1045 any facility that would have been issued a lower rate, due to interim rate
1046 status, a change in allowable fair rent or agreement with the department,
1047 shall be issued such lower rate. For the fiscal year ending June 30, 2018,
1048 rates shall not exceed those in effect for the period ending June 30, 2017,
1049 except the commissioner may, in the commissioner's discretion and
1050 within available appropriations, provide pro rata fair rent increases to
1051 facilities which have documented fair rent additions placed in service in
1052 the cost report year ending September 30, 2016, that are not otherwise
1053 included in rates issued. For the fiscal year ending June 30, 2019, rates
1054 shall not exceed those in effect for the period ending June 30, 2018,
1055 except the commissioner may, in the commissioner's discretion and
1056 within available appropriations, provide pro rata fair rent increases to
1057 facilities which have documented fair rent additions placed in service in
1058 the cost report year ending September 30, 2017, that are not otherwise
1059 included in rates issued. For the fiscal year ending June 30, 2020, rates
1060 shall not exceed those in effect for the fiscal year ending June 30, 2019,
1061 except the commissioner may, in the commissioner's discretion and
1062 within available appropriations, provide pro rata fair rent increases to
1063 facilities which have documented fair rent additions placed in service in
1064 the cost report year ending September 30, 2018, that are not otherwise
1065 included in rates issued. For the fiscal year ending June 30, 2021, rates
1066 shall not exceed those in effect for the fiscal year ending June 30, 2020,
1067 except the commissioner may, in the commissioner's discretion and
1068 within available appropriations, provide pro rata fair rent increases to
1069 facilities which have documented fair rent additions placed in service in

1070 the cost report year ending September 30, 2019, that are not otherwise
1071 included in rates issued. For the fiscal year ending June 30, 2022, the
1072 commissioner may, in the commissioner's discretion and within
1073 available appropriations, provide pro rata fair rent increases to facilities
1074 that have documented fair rent additions placed in service in the cost
1075 report year ending September 30, 2020, that are not otherwise included
1076 in rates issued. For the fiscal year ending June 30, 2023, the
1077 commissioner may, in the commissioner's discretion and within
1078 available appropriations, provide pro rata fair rent increases to facilities
1079 which have documented fair rent additions placed in service in the cost
1080 report year ending September 30, 2021, that are not otherwise included
1081 in rates issued. For the fiscal years ending June 30, 2022, and June 30,
1082 2023, a facility may receive a rate increase for a capital improvement
1083 approved by the Department of Social Services, for the health or safety
1084 of the residents during the fiscal year ending June 30, 2022, or June 30,
1085 2023, only to the extent such rate increases are within available
1086 appropriations. For the fiscal year ending June 30, 2022, and June 30,
1087 2023, rates shall be based upon rates in effect for the fiscal year ending
1088 June 30, 2021, inflated by the gross domestic product deflator applicable
1089 to each rate year, except the commissioner may, in the commissioner's
1090 discretion and within available appropriations, provide pro rata fair
1091 rent increases to facilities which have documented fair rent additions
1092 placed in service in the cost report years ending September 30, 2020, and
1093 September 30, 2021, that are not otherwise included in rates issued. For
1094 the fiscal years ending June 30, 2024, and June 30, 2025, a facility may
1095 receive a rate increase for a capital improvement approved by the
1096 Department of Social Services, for the health or safety of the residents
1097 during the fiscal year ending June 30, 2024, or June 30, 2025, only to the
1098 extent such rate increases are within available appropriations. For the
1099 fiscal year ending June 30, 2024, the department shall determine facility
1100 rates based upon 2022 cost report filings subject to the provisions of this
1101 section, adjusted to reflect any rate increases provided after the cost
1102 report year ending September 30, 2022. There shall be no increase to
1103 rates based on any inflationary factor for the fiscal year ending June 30,
1104 2024. For the fiscal year ending June 30, 2024, the commissioner may, in

1105 the commissioner's discretion and within available appropriations,
1106 provide pro rata fair rent increases to facilities that have documented
1107 fair rent additions placed in service in the cost report year ending
1108 September 30, 2022, that are not otherwise included in rates issued. For
1109 the fiscal year ending June 30, 2025, the commissioner may, in the
1110 commissioner's discretion and within available appropriations, provide
1111 pro rata fair rent increases to facilities that have documented fair rent
1112 additions placed in service in the cost report year ending September 30,
1113 2023, that are not otherwise included in rates issued.

1114 Sec. 12. Section 17b-2 of the general statutes is repealed and the
1115 following is substituted in lieu thereof (*Effective July 1, 2023*):

1116 The Department of Social Services is designated as the state agency
1117 for the administration of (1) the Connecticut energy assistance program
1118 pursuant to the Low Income Home Energy Assistance Act of 1981; (2)
1119 the state plan for vocational rehabilitation services for the fiscal year
1120 ending June 30, 1994; (3) the refugee assistance program pursuant to the
1121 Refugee Act of 1980; (4) the legalization impact assistance grant
1122 program pursuant to the Immigration Reform and Control Act of 1986;
1123 (5) the temporary assistance for needy families program pursuant to the
1124 Personal Responsibility and Work Opportunity Reconciliation Act of
1125 1996; (6) the Medicaid program pursuant to Title XIX of the Social
1126 Security Act; (7) the supplemental nutrition assistance program
1127 pursuant to the Food and Nutrition Act of 2008; (8) the state supplement
1128 to the Supplemental Security Income Program pursuant to the Social
1129 Security Act; (9) the state child support enforcement plan pursuant to
1130 Title IV-D of the Social Security Act; (10) the state social services plan
1131 for the implementation of the social services block grants and
1132 community services block grants pursuant to the Social Security Act;
1133 and (11) services for persons with autism spectrum disorder in
1134 accordance with [sections 17a-215 and] section 17a-215c, as amended by
1135 this act.

1136 Sec. 13. Section 17a-215e of the general statutes is repealed and the
1137 following is substituted in lieu thereof (*Effective July 1, 2023*):

1138 Not later than February 1, 2017, and annually thereafter, the
1139 Commissioner of Social Services shall report, in accordance with the
1140 provisions of section 11-4a, to the joint standing committee of the
1141 General Assembly having cognizance of matters relating to human
1142 services concerning the activities of the Department of Social Services'
1143 Division of Autism Spectrum Disorder Services, established pursuant to
1144 section 17a-215c, as amended by this act, and the Autism Spectrum
1145 Disorder Advisory Council, established pursuant to section [17a-215d]
1146 2 of this act. Such report shall include, but not be limited to: (1) The
1147 number and ages of persons with autism spectrum disorder who are
1148 served by the Department of Social Services' Division of Autism
1149 Spectrum Disorder Services and, when practicable to report, the number
1150 and ages of such persons who are served by other state agencies; (2) the
1151 number and ages of persons with autism spectrum disorder on said
1152 division's waiting list for Medicaid waiver services; (3) the type of
1153 Medicaid waiver services currently provided by the department to
1154 persons with autism spectrum disorder; (4) a description of the unmet
1155 needs of persons with autism spectrum disorder on said division's
1156 waiting list; (5) the projected estimates for a five-year period of the costs
1157 to the state due to such unmet needs; (6) measurable outcome data for
1158 persons with autism spectrum disorder who are eligible to receive
1159 services from said division, including, but not limited to, (A) the number
1160 of such persons who are enrolled in postsecondary education, (B) the
1161 employment status of such persons, and (C) a description of such
1162 persons' living arrangements; and (7) a description of new initiatives
1163 and proposals for new initiatives that are under consideration.

1164 Sec. 14. Subdivision (4) of subsection (a) of section 38a-488b of the
1165 general statutes is repealed and the following is substituted in lieu
1166 thereof (*Effective July 1, 2023*):

1167 (4) "Behavioral therapy" means any interactive behavioral therapies
1168 derived from evidence-based research and consistent with the services
1169 and interventions designated by the Commissioner of Social Services
1170 pursuant to subsection [(1)] (e) of section 17a-215c, as amended by this
1171 act, including, but not limited to, applied behavior analysis, cognitive

1172 behavioral therapy, or other therapies supported by empirical evidence
1173 of the effective treatment of individuals diagnosed with autism
1174 spectrum disorder, that are: (A) Provided to children less than twenty-
1175 one years of age; and (B) provided or supervised by (i) a licensed
1176 behavior analyst, (ii) a licensed physician, or (iii) a licensed
1177 psychologist. For the purposes of this subdivision, behavioral therapy is
1178 "supervised by" such licensed behavior analyst, licensed physician or
1179 licensed psychologist when such supervision entails at least one hour of
1180 face-to-face supervision of the autism spectrum disorder services
1181 provider by such licensed behavior analyst, licensed physician or
1182 licensed psychologist for each ten hours of behavioral therapy provided
1183 by the supervised provider.

1184 Sec. 15. Subdivision (4) of subsection (a) of section 38a-514b of the
1185 general statutes is repealed and the following is substituted in lieu
1186 thereof (*Effective July 1, 2023*):

1187 (4) "Behavioral therapy" means any interactive behavioral therapies
1188 derived from evidence-based research and consistent with the services
1189 and interventions designated by the Commissioner of Social Services
1190 pursuant to subsection [(l)] (e) of section 17a-215c, as amended by this
1191 act, including, but not limited to, applied behavior analysis, cognitive
1192 behavioral therapy, or other therapies supported by empirical evidence
1193 of the effective treatment of individuals diagnosed with autism
1194 spectrum disorder, that are: (A) Provided to children less than twenty-
1195 one years of age; and (B) provided or supervised by (i) a licensed
1196 behavior analyst, (ii) a licensed physician, or (iii) a licensed
1197 psychologist. For the purposes of this subdivision, behavioral therapy is
1198 "supervised by" such licensed behavior analyst, licensed physician or
1199 licensed psychologist when such supervision entails at least one hour of
1200 face-to-face supervision of the autism spectrum disorder services
1201 provider by such licensed behavior analyst, licensed physician or
1202 licensed psychologist for each ten hours of behavioral therapy provided
1203 by the supervised provider.

1204 Sec. 16. Sections 17a-215 and 17a-215d of the general statutes are

1205 repealed. (Effective July 1, 2023)

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2023	New section
Sec. 2	July 1, 2023	New section
Sec. 3	July 1, 2023	17a-215c
Sec. 4	from passage	17b-112
Sec. 5	October 1, 2023	17b-191(c)
Sec. 6	October 1, 2023	17b-601
Sec. 7	July 1, 2023	17b-244(a)
Sec. 8	July 1, 2023	17b-340(h)
Sec. 9	July 1, 2023	17b-340d
Sec. 10	July 1, 2023	New section
Sec. 11	July 1, 2023	17b-340(i)
Sec. 12	July 1, 2023	17b-2
Sec. 13	July 1, 2023	17a-215e
Sec. 14	July 1, 2023	38a-488b(a)(4)
Sec. 15	July 1, 2023	38a-514b(a)(4)
Sec. 16	July 1, 2023	Repealer section

Statement of Legislative Commissioners:

In Section 2(b), the last two sentences were deleted for clarity; in Section 3(a), "autism waiver" was changed to "Medicaid waiver program for autism spectrum disorder services" for clarity; in Section 7(a), "For the fiscal year ending June 30, 2024," was changed to "For the fiscal years ending June 30, 2024, and June 30, 2025," for accuracy; and in Section 11(i), "cost report year ending June 30, 2022," was changed to "cost report year ending September 30, 2022," and "cost report years" was changed to "cost report year" for accuracy.

HS *Joint Favorable Subst. C/R*

APP

APP *Joint Favorable Subst.*

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:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Policy & Mgmt., Off.	GF - Cost	90,200	90,200
State Comptroller - Fringe Benefits ¹	GF - Cost	38,600	38,600
Social Services, Dept.	GF - Cost	7,683,000	12,595,200
Social Services, Dept.	GF - Savings	42,172,000	63,700,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in net savings of \$34.4 million in FY 24 and \$60 million in FY 25 reflecting the net impact of (1) state costs of \$7.8 million in FY 24 and \$12.7 million in FY 25, and (2) state savings of \$42.2 million in FY 24 and \$63.7 million in FY 25. The fiscal impact by section is detailed below.

Sections 1 - 3 and 12 - 16 require the Office of Policy and Management (OPM) to serve as the lead agency responsible for coordinating autism services across state agencies and school districts that directly provide for or oversee services for individuals on the autism spectrum. This results in a cost of approximately \$90,200 in FY 24 and FY 25 (as well as associated fringe costs of \$38,600 each year) to support an additional staff position for this purpose.

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 42.82% of payroll in FY 24.

Section 4 results in additional costs to the Department of Social Services (DSS) related to changes to the Temporary Family Assistance (TFA) program. Increased costs are due to (1) increasing the asset limit from \$3,000 to \$6,000, resulting in a cost of \$760,000 in FY 24 and \$3.3 million in FY 25, and (2) increasing the income disregard from 100% of the federal poverty level (FPL) to 230% FPL, resulting in a cost of \$1.2 million in FY 24 and \$3.1 million in FY 25.

Section 5 results in a cost of \$140,000 in FY 24 and \$480,000 in FY 25 due to increasing the asset limit under the State Administered General Assistance (SAGA) program from \$250 to \$500.

Section 6 results in a cost of \$383,000 in FY 24 and \$515,200 in FY 25 to reflect allowing individuals seeking coverage to receive Supplemental Assistance benefits for up to 90 days prior to the date of application if otherwise eligible for the program.

Sections 7, 10 and 11 result in a savings of \$4,372,000 in FY 24 due to eliminating statutory rate increases for residential care homes and rated housing facilities in FY 24.

Section 11 also results in a cost of \$5.2 million in both FY 24 and FY 25 due to rebasing rates for residential care homes (RCHs) based on 2022 cost reports.

Sections 8 and 9 result in a savings of \$37.8 million in FY 24 and \$63.7 million in FY 25 due to eliminating statutory rate increases for nursing homes and intermediate care facilities (ICFs).

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 6665****AN ACT CONCERNING THE GOVERNOR'S BUDGET
RECOMMENDATIONS FOR HEALTH AND HUMAN SERVICES.**

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§ 10 — FACILITIES PAID A FLAT RATE

Freezes FY 24 rates at FY 16 levels for residential care homes, community living arrangements, and community companion homes that receive a flat rate rather than a cost-based rate

§ 11 — RESIDENTIAL CARE HOME RATES

Requires DSS to determine FY 24 rates for residential care homes based on 2022 cost report filings and allows other increases within available appropriations

SUMMARY

This bill makes the Office of Policy and Management (OPM) the lead agency for autism spectrum disorder (ASD) programs and services and makes changes in laws related to rates, eligibility, and payments under Department of Social Services (DSS)-administered programs, as described in the section-by-section analysis below.

EFFECTIVE DATE: July 1, 2023, unless otherwise noted.

§§ 1-3 & 12-16 — AUTISM SPECTRUM DISORDER (ASD) AND OPM

Makes OPM, rather than DSS, the lead agency to coordinate ASD services and transfers many of DSS's ASD-related duties to OPM; and requires the ASDAC to report to OPM, rather than DSS

Under current law, DSS serves as the lead agency to coordinate the functions of several state agencies responsible for providing services to people diagnosed with ASD. The bill instead makes OPM the lead agency to coordinate these functions. It requires OPM, rather than DSS, to serve as the lead state agency for (1) the federal Combating Autism Act and (2) applying for and receiving funds and performing related responsibilities concerning ASD as state or federal law authorizes. The bill correspondingly transfers many of DSS's ASD-related duties to OPM. Under the bill, DSS remains the state agency for administering Medicaid state plan services and the Medicaid waiver program for people with ASD.

Current law allows DSS's Division of Autism Spectrum Disorder Services to research, design, and deliver appropriate and necessary

services and programs for all state residents with ASD. The bill instead allows OPM to examine and make recommendations on these services and programs. Under the bill, services and programs may include the following:

1. autism-spectrum early intervention services for any child under age three diagnosed with ASD;
2. education, recreation, habilitation, vocational, and transitional services for people ages three to 21 diagnosed with ASD;
3. services for adults over age 21 diagnosed with ASD;
4. housing assistance for people diagnosed with ASD;
5. services that address the way autism and the criminal justice system intersect;
6. commercial insurance coverage of autism services;
7. ASD-specific workforce training; and
8. related ASD services the OPM secretary deems necessary.

The bill requires OPM to research and locate possible funding streams to continually develop and implement services for people diagnosed with ASD.

The bill allows OPM, rather than DSS, to make recommendations to the governor and the Human Services Committee on legislation and funding required to provide necessary services to people diagnosed with ASD. The bill additionally allows OPM to report this information to the Appropriations and Public Health committees.

DSS's Division of Autism Spectrum Disorder Services

The bill retains DSS's Division of Autism Spectrum Disorder Services but narrows its purpose to overseeing Medicaid state plan services and the Medicaid waiver program for ASD services. The bill eliminates requirements that the division do the following:

1. research and locate possible funding streams to continually develop and implement services for people diagnosed with ASD but not diagnosed with an intellectual disability,
2. design and implement a training initiative and develop an ASD-specific curriculum, and
3. annually report to the Human Services Committee on the status of a federal Medicaid waiver or state plan amendment to provide home- and community-based services to people with ASD who do not have an intellectual disability and the establishment and implementation of the program.

The bill retains a separate requirement that DSS report annually on the division's and the ASD Advisory Council's (ASDAC) (see below) activities to the Human Services Committee.

Existing law, unchanged by the bill, requires DSS, in consultation with the ASDAC, to designate services and interventions that demonstrate empirical effectiveness in treating ASD and to update the designations periodically.

ASD Advisory Council (ASDAC)

The bill puts the ASDAC within OPM for administrative services only. The bill requires the council to advise OPM, rather than DSS, and eliminates requirements that it advise on (1) services provided by DSS's Division of Autism Spectrum Services and (2) implementing recommendations from an autism feasibility study. The bill requires the council to advise on recommendations to improve coordination of and address gaps in autism services.

The bill also makes technical and conforming changes.

§ 4 — TEMPORARY FAMILY ASSISTANCE (TFA) ELIGIBILITY AND BENEFITS

Expands TFA eligibility by (1) statutorily raising the asset limit and (2) disregarding income for certain households

The bill increases the TFA asset limit from \$3,000 to \$6,000 beginning

October 1, 2023. In practice, DSS sets the asset limit in the federally approved Temporary Assistance for Needy Families (TANF) state plan. The bill sets the \$6,000 limit in statute.

By law, when calculating the TFA benefit amount for eligible families, DSS must disregard earned income up to 100% of the Federal Poverty Level (FPL). Under the bill, DSS must also disregard up to 200% of FPL in gross earnings for purposes of determining TFA eligibility. Under the bill, beginning January 1, 2024, this disregard applies in the first month a family's total gross earnings exceed FPL and continues for up to six consecutive months (generally allowing a household to remain eligible for TFA longer than they would under current law when the earnings increase). For families with total gross earnings between 171% and 230% of FPL, the bill requires DSS to reduce the household's benefit amount by 20% in months when the household's income is in that range. The current TFA payment standard (i.e., maximum benefit amount) is \$771 per month for a family of three. The benefit amount is typically calculated by deducting certain income from the payment standard.

EFFECTIVE DATE: Upon passage

§ 5 — STATE ADMINISTERED GENERAL ASSISTANCE (SAGA) ASSET LIMIT INCREASE

Expands SAGA eligibility by raising asset limits from \$250 to \$500 for individuals and \$500 to \$1,000 for married couples

The bill raises the asset limits for SAGA from \$250 to \$500 for individuals and \$500 to \$1,000 for married couples. SAGA generally provides cash assistance to single or married childless individuals who have very low incomes, do not qualify for other cash assistance programs, and are considered "transitional" or "unemployable."

EFFECTIVE DATE: October 1, 2023

§ 6 — STATE SUPPLEMENT PROGRAM (SSP) BENEFIT START DATE

Aligns the start date for SSP eligibility for a residential care home or rated housing facility resident with the date the person begins residing in the home or a facility, subject to a 90-day limit based on when DSS received the application

By law, SSP provides cash assistance to people who are age 65 and older, living with a permanent disability, or blind and (1) receive federal Supplemental Security Income (SSI) benefits or (2) would be eligible for SSI, but for excess income. By law, for people living in residential care homes or rated housing facilities, DSS must pay SSP benefits to the home or facility at a per diem or monthly rate, minus any applied resident income.

The bill aligns the start date for these SSP applicants with the date when they became a resident in the home or facility and met all SSP eligibility criteria. The bill also limits the start date to no earlier than 90 days before DSS received the SSP application.

By law, rated housing facilities are (1) a boarding facility or home, excluding community companion homes, licensed by the developmental services, mental health and addiction services, or the children and families departments or (2) a facility established by New Horizons, Inc. and approved by DSS to receive SSP payments (CGS § 17b-82).

EFFECTIVE DATE: October 1, 2023

§ 7 — DSS PAYMENTS TO NON-ICF-ID BOARDING HOMES

Generally caps FYs 24 and 25 rates at FY 23 levels for room and board at private residential facilities and similar facilities

The bill generally caps rates for room and board at private residential facilities and similar facilities operated by regional educational services centers that are licensed to provide residential care for people with certain disabilities but not licensed as intermediate care facilities for people with intellectual disabilities (ICF-ID).

The bill caps FYs 24 and 25 rates at FY 23 levels but allows for higher rates, within available appropriations, for facilities that make a capital improvement for resident health or safety approved by the Department of Developmental Services (DDS), in consultation with DSS, during FY 24 or FY 25.

Background — Related Bill

sSB 1109, § 1, favorably reported by the Appropriations and Human Services committees, allows DSS to annually provide pro rata rent increases for fair rent additions not otherwise included in rates beginning in FY 24.

§ 8 — DSS PAYMENTS TO ICF-IDS

Caps FY 24 rates at FY 23 levels and FY 25 rates at FY 24 levels, with certain exceptions

For ICF-IDs, the bill caps FY 24 rates at FY 23 levels and FY 25 rates at FY 24 levels, except that in both years, the commissioner may, in her discretion and within available appropriations, provide pro rata fair rent increases to facilities with documented fair rent additions placed in service during the previous cost report year and not otherwise included in the issued rates.

For both years, the bill allows a facility to receive a rate increase for a capital improvement for resident health or safety approved by DDS, in consultation with DSS, but only within available appropriations. The bill also allows DSS to provide fair rent increases to any facility that undergoes a material change in circumstances related to fair rent and has an approved certificate of need (CON) under DSS's CON processes.

Background — Related Bill

sSB 1109, § 2, favorably reported by the Appropriations and Human Services committees, sets requirements for how DSS determines inflationary adjustments; requires DSS to determine whether a facility's change in ownership requires DSS to rebase its costs to calculate payment rates; and allows DSS to provide annual pro rata rent increases beginning in FY 24.

§ 9 — NURSING HOME RATES

Limits inflationary increases to nursing home rates for FYs 24 and 25

Existing law requires DSS to implement an acuity-based reimbursement rate for nursing homes effective July 1, 2022. Acuity-based rates generally reimburse nursing homes based on the level of care needed for patients. In practice, DSS is transitioning to the acuity-based system from a cost-based system over a period of years.

Separately, DSS regulations generally account for inflation when calculating nursing home rates (Conn. Agencies Regs., § 17-311-52).

The bill supersedes these regulations for FYs 24 and 25 to prohibit inflationary increases to the rates beyond those already factored into the model DSS is using to transition to an acuity-based reimbursement system.

Background — Related Bill

sSB 1109, §§ 4 & 5, favorably reported by the Appropriations and Human Services committees, allows the DSS commissioner to give pro rata fair rent increases to nursing homes with documented fair rent additions; sets a schedule for DSS to rebase facility costs; requires future inflationary adjustments to be based on a GDP deflator and adjusted by the DSS commissioner as she determines; and makes conforming changes.

§ 10 — FACILITIES PAID A FLAT RATE

Freezes FY 24 rates at FY 16 levels for residential care homes, community living arrangements, and community companion homes that receive a flat rate rather than a cost-based rate

Under the bill, regardless of rate-setting laws or regulations to the contrary, the rates the state pays to residential care homes, community living arrangements, and community companion homes that receive the flat rate for residential services in FY 16 remain in effect through FY 24. State regulations permit these facilities to have their rates determined on a flat rate basis rather than based on submitted cost reports (Conn. Agencies Regs., § 17-311-54).

§ 11 — RESIDENTIAL CARE HOME RATES

Requires DSS to determine FY 24 rates for residential care homes based on 2022 cost report filings and allows other increases within available appropriations

The bill requires DSS to determine FY 24 rates for residential care homes based on their 2022 cost report filings, adjusted for any rate increases provided after the cost report ended. For that year, the bill prohibits rate increases based on inflationary factors.

For FYs 24 and 25, the bill allows the following, within available

appropriations:

1. facilities to receive a rate increase for a capital improvement approved by DSS for residents’ health or safety and
2. the DSS commissioner, in her discretion, to provide pro rata fair rent increases to facilities with documented fair rent additions placed in service in the 2022 cost year (for FY 24) or the 2023 cost year (for FY 25) that are not otherwise included in the issued rates.

Background — Related Bill

sSB 1109, § 3, favorably reported by the Appropriations and Human Services committees, sets requirements for how DSS determines inflationary adjustments and requires DSS to determine whether a facility’s change in ownership requires DSS to rebase its costs to calculate payment rates.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute Change of Reference - APP
Yea 15 Nay 6 (03/28/2023)

Appropriations Committee

Joint Favorable Substitute
Yea 52 Nay 0 (04/20/2023)