



General Assembly

January Session, 2015

Raised Bill No. 6674

LCO No. 3041



Referred to Committee on HUMAN SERVICES

Introduced by:
(HS)

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

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

1 Section 1. Section 17b-320 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective April 1, 2016*):

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

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

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

6 (3) "Nursing home" means any licensed chronic and convalescent
7 nursing home or a rest home with nursing supervision, but does not
8 include, upon approval of the waiver of federal requirements for
9 uniform and broad-based user fees in accordance with 42 CFR 433.68,
10 pursuant to section 17b-323, any nursing home that is owned and
11 operated as of May 1, 2005, by the legal entity that is registered as a
12 continuing care facility with the Department of Social Services in
13 accordance with section 17b-521, regardless of whether such nursing

14 home participates in the Medicaid program and any nursing home
15 licensed after May 1, 2005, that is owned and operated by the legal
16 entity that is registered as a continuing care facility with the
17 Department of Social Services in accordance with section 17b-521;

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

22 (5) "Medicaid pending day" means a day of nursing home care
23 service provided to an individual who has applied for Medicaid but
24 who has not yet been determined eligible for Medicaid;

25 ~~[(5)]~~ (6) "Resident day" means a day of nursing home care service
26 provided to an individual and includes the day a resident is admitted
27 and any day for which the nursing home is eligible for payment for
28 reserving a resident's bed due to hospitalization or temporary leave
29 and for the date of death. For purposes of this subdivision, a day of
30 nursing home care service shall be the period of time between the
31 census-taking hour in a nursing home on two successive calendar
32 days. "Resident day" does not include a Medicare day, ~~or~~ the day a
33 resident is discharged or any Medicaid pending day provided that a
34 nursing home shall pay a user fee retroactively pursuant to subsection
35 (b) of this section for a Medicaid pending day upon (A) receipt of
36 Medicaid funding for an eligible Medicaid applicant, or (B) a
37 determination that the Medicaid applicant is ineligible;

38 ~~[(6)]~~ (7) "Nursing home net revenue" means amounts billed by a
39 nursing home for all room, board and ancillary services, minus (A)
40 contractual allowances, (B) payer discounts, (C) charity care, and (D)
41 bad debts; and

42 ~~[(7)]~~ (8) "Contractual allowances" means the amount of discounts
43 allowed by a nursing home to certain payers from amounts billed for
44 room, board and ancillary services.

45 (b) (1) (A) For each calendar quarter commencing on or after July 1,
46 2005, there is hereby imposed a resident day user fee on each nursing
47 home in this state, which fee shall be the product of the nursing home's
48 total resident days during the calendar quarter multiplied by the user
49 fee, as determined by the Commissioner of Social Services pursuant to
50 subsection (a) of section 17b-321.

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

58 (2) Each nursing home shall, on or before the last day of January,
59 April, July, and October of each year, render to the commissioner a
60 return, on forms prescribed or furnished by the commissioner, stating
61 the nursing home's total (A) resident days, and (B) Medicaid pending
62 days during the calendar quarter ending on the last day of the
63 preceding month and stating such other information as the
64 commissioner deems necessary for the proper administration of this
65 section.

66 (3) The resident day user fee imposed under this section shall be
67 due and payable on the due date of such return and the retroactive
68 user fee for Medicaid pending days shall be due on the due date for
69 the next such return following the date of receipt of Medicaid funding
70 for a Medicaid applicant or following the date a determination is made
71 that the applicant is ineligible for Medicaid.

72 (4) Each nursing home shall be required to file [such] the resident
73 day user fee return electronically with the department and to make
74 [such] payment by electronic funds transfer in the manner provided by
75 chapter 228g, irrespective of whether the nursing home would have

76 otherwise been required to file such return electronically or to make
77 such payment by electronic funds transfer under the provisions of said
78 chapter 228g.

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

84 (d) The commissioner shall notify the Commissioner of Social
85 Services of any amount delinquent under [sections 17b-320 to 17b-323,
86 inclusive] this section and sections 17b-321 and 17b-323, inclusive, and,
87 upon receipt of such notice, the Commissioner of Social Services shall
88 deduct and withhold such amount from amounts otherwise payable
89 by the Department of Social Services to the delinquent nursing home.

90 (e) The provisions of section 12-548, sections 12-550 to 12-554,
91 inclusive, and section 12-555a shall apply to the provisions of this
92 section in the same manner and with the same force and effect as if the
93 language of said sections had been incorporated in full into this section
94 and had expressly referred to the user fee imposed under this section,
95 except to the extent that any provision is inconsistent with a provision
96 in this section. For purposes of section 12-39g, the resident day user fee
97 shall be treated as a tax.

98 (f) The commissioner may enter into an agreement with the
99 Commissioner of Social Services delegating to the Commissioner of
100 Social Services the authority to examine the records and returns of any
101 nursing home subject to the resident day user fee imposed under this
102 section and to determine whether such user fee has been underpaid or
103 overpaid. If such authority is so delegated, examinations of such
104 records and returns by the Department of Social Services and
105 determinations by said department that such user fee has been
106 underpaid or overpaid, shall have the same effect as similar

107 examinations or determinations made by the Department of Revenue
108 Services.

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

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>April 1, 2016</i>	17b-320

Statement of Purpose:

To ease the financial burden on nursing homes that are forced to pay a tax in advance of receiving Medicaid funding for each day of service provided to a resident.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]