



General Assembly

Amendment

February Session, 2024

LCO No. 5571



Offered by:

REP. GARIBAY, 60th Dist.
SEN. HOCHADEL, 13th Dist.
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To: Subst. House Bill No. 5046

File No. 611

Cal. No. 121

"AN ACT PROMOTING NURSING HOME RESIDENT QUALITY OF LIFE."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 19a-521b of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective from passage*):

5 (a) Each licensed chronic and convalescent nursing home, chronic
6 disease hospital associated with a chronic and convalescent nursing
7 home, rest home with nursing supervision and residential care home
8 shall position beds in a manner that promotes resident care and that
9 provides at least a three-foot clearance at the sides and foot of each bed.
10 Such bed position shall (1) not act as a restraint to the resident, (2) not
11 create a hazardous situation, including, but not limited to, an
12 entrapment possibility, or obstacle to evacuation or being close to or

13 blocking a heat source, and (3) allow for infection control.

14 (b) On and after July 1, 2026, no licensed chronic and convalescent
15 nursing home or rest home with nursing supervision shall place a newly
16 admitted resident in a room containing more than two beds. A violation
17 of the requirements of this subsection shall constitute a Class B violation
18 under section 19a-527, except no licensed chronic and convalescent
19 nursing home or rest home with nursing supervision shall incur more
20 than one violation per newly admitted resident in one calendar year.

21 (c) The Commissioner of Social Services may recalculate a licensed
22 chronic and convalescent nursing home or rest home with nursing
23 supervision's Medicaid rate established for the fiscal year ending June
24 30, 2026, and for the fiscal years thereafter, reflecting any licensed bed
25 reductions associated with the elimination of three and four-bed rooms.
26 Allowable fair rent shall reflect costs for building modifications or other
27 additions incurred for fiscal year 2025, and for the fiscal years thereafter,
28 that are associated with the elimination of three and four-bed rooms.

29 Sec. 2. Section 19a-533 of the general statutes is repealed and the
30 following is substituted in lieu thereof (*Effective July 1, 2024*):

31 (a) As used in this section, "nursing home" means any chronic and
32 convalescent facility or any rest home with nursing supervision, as
33 defined in section 19a-521, which has a provider agreement with the
34 state to provide services to recipients of funds obtained through Title
35 XIX of the Social Security Amendments of 1965; and "indigent person"
36 means any person who is eligible for or who is receiving medical
37 assistance benefits from the state.

38 (b) A nursing home which receives payment from the state for
39 rendering care to indigent persons shall:

40 (1) Be prohibited from discriminating against indigent persons who
41 apply for admission to such facility on the basis of source of payment.
42 Except as otherwise provided by law, all applicants for admission to
43 such facility shall be admitted in the order in which such applicants

44 apply for admission. Each nursing home shall (A) provide a receipt to
45 each applicant for admission to its facility who requests placement on a
46 waiting list stating the date and time of such request, and (B) maintain
47 a dated list of such applications which shall be available at all times to
48 any applicant, his bona fide representative, authorized personnel from
49 the Departments of Public Health and Social Services and such other
50 state agencies or other bodies established by state statute whose
51 statutory duties necessitate access to such lists. If a nursing home desires
52 to remove the name of an applicant who is unresponsive to facility
53 telephone calls and letters from its waiting list, the nursing home may,
54 no sooner than ninety days after initial placement of the person's name
55 on the waiting list, inquire by letter to such applicant and any one
56 person if designated by such applicant whether the applicant desires
57 continuation of his name on the waiting list. If the applicant does not
58 respond and an additional thirty days pass, the facility may remove
59 such applicant's name from its waiting list. A nursing home may
60 annually send a waiting list placement continuation letter to all persons
61 on the waiting list for at least ninety days to inquire as to whether such
62 person desires continuation of his name on the waiting list, provided
63 such letter shall also be sent to any one person if designated by such
64 applicant. If such person does not respond and at least thirty days pass,
65 the facility may remove the person's name from its waiting list. Indigent
66 persons shall be placed on any waiting list for admission to a facility and
67 shall be admitted to the facility as vacancies become available, in the
68 same manner as self-pay applicants, except as provided in subsections
69 (f) and (g) of this section;

70 (2) Post in a conspicuous place a notice informing applicants for
71 admission that the facility is prohibited by statute from discriminating
72 against indigent applicants for admission on the basis of source of
73 payment. Such notice shall advise applicants for admission of the
74 remedies available under this section and shall list the name, address
75 and telephone number of the ombudsman who serves the region in
76 which the facility is located;

77 (3) Be prohibited from requiring that an indigent person pay any sum

78 of money or furnish any other consideration, including, but not limited
79 to, the furnishing of an agreement by the relative, conservator or other
80 responsible party of an indigent person which obligates such party to
81 pay for care rendered to an indigent person as a condition for admission
82 of such indigent person;

83 (4) Record in the patient roster, maintained pursuant to the Public
84 Health Code, or in a separate roster maintained for this purpose, the
85 number of patients who are Medicare, Medicaid and private pay
86 patients on each day. Such numbers shall be recorded daily and made
87 available, upon request, to the state or regional ombudsman.

88 (c) Upon the receipt of a complaint concerning a violation of this
89 section, the Department of Social Services shall conduct an investigation
90 into such complaint.

91 (d) The Department of Social Services is authorized to decrease the
92 daily reimbursement rate to a nursing home for one year for a violation
93 of this section which occurred during the twelve-month period covered
94 by the cost report upon which the per diem rate is calculated. The per
95 diem rate shall be reduced by one-quarter of one per cent for an initial
96 violation of this section and one per cent for each additional violation.

97 (e) Prior to imposing any sanction, the Department of Social Services
98 shall notify the nursing home of the alleged violation and the
99 accompanying sanction, and shall permit such facility to request an
100 administrative hearing, in accordance with sections 4-176e to 4-181a,
101 inclusive. A facility shall request such hearing within fifteen days of
102 receipt of the notice of violation from the Department of Social Services.
103 The department shall stay the imposition of any sanction pending the
104 outcome of the administrative hearing.

105 (f) A nursing home with a number of self-pay residents equal to or
106 less than thirty per cent of its total number of residents shall not be
107 required to admit an indigent person on a waiting list for admission
108 when a vacancy becomes available during the subsequent six months,
109 provided (1) no bed may be held open for more than thirty days, [Each

110 such nursing home meeting the conditions for such waiver shall on a
111 quarterly basis notify] and (2) the nursing home notifies the
112 Commissioner of Social Services and the regional nursing home
113 ombudsman office [of] on the date on which such six-month period of
114 [waiver began] waiting list exemption began and thereafter on a
115 quarterly basis if the conditions for exemption still apply.

116 (g) A nursing home shall not be required to admit an indigent person
117 on a waiting list for admission when a vacancy becomes available if the
118 vacancy is in a private room.

119 (h) Notwithstanding the provisions of this section, a nursing home
120 [may] shall, without regard to the order of its waiting list, admit an
121 applicant who (1) seeks to transfer from a nursing home that is closing,
122 or (2) seeks to transfer from a nursing home in which the applicant was
123 placed following the closure of the nursing home where such applicant
124 previously resided or, in the case of a nursing home placed in
125 receivership, the anticipated closure of the nursing home where such
126 applicant previously resided, provided (A) the transfer occurs not later
127 than sixty days following the date that such applicant was transferred
128 from the nursing home where he or she previously resided, and (B)
129 except when the nursing home that is closing transferred the resident
130 due to an emergency, the applicant submitted an application to the
131 nursing home to which he or she seeks admission at the time of the
132 applicant's transfer from the nursing home where he or she previously
133 resided. A nursing home that qualifies for a waiting list exemption
134 pursuant to subsection (f) or (g) of this section shall not be required to
135 admit an indigent person under this subsection except when the
136 resident is being transferred from a nursing home that is closing due to
137 an emergency. No nursing home shall be required to admit an applicant
138 pursuant to the provisions of this subsection if the nursing home has
139 determined that (i) the applicant does not have a payor source because
140 the applicant has been denied Medicaid eligibility or the applicant has
141 failed to pay a nursing home that is closing for the three months
142 preceding the date of the application for admittance and has no pending
143 application for Medicaid, (ii) the applicant is subject to a Medicaid

144 penalty period, or (iii) the applicant does not require nursing home level
145 of care as determined in accordance with applicable state and federal
146 requirements.

147 Sec. 3. (NEW) (*Effective from passage*) The Commissioner of Public
148 Health shall not grant any new license to establish, conduct or operate a
149 rest home with nursing supervision on and after the effective date of
150 this section. Notwithstanding the provisions of this section, the
151 commissioner may, upon application by a rest home with nursing
152 supervision, approve a one-time renewal for not more than one year of
153 a license that expires on or after the effective date of this section,
154 provided the rest home is in compliance with the requirements for such
155 renewal. The denial of such a renewal shall not be subject to an appeal
156 under section 19a-501 of the general statutes.

157 Sec. 4. Subsections (a) and (b) of section 17b-352 of the general statutes
158 are repealed and the following is substituted in lieu thereof (*Effective*
159 *from passage*):

160 (a) For the purposes of this section and section 17b-353, "facility"
161 means a residential facility for persons with intellectual disability
162 licensed pursuant to section 17a-277 and certified to participate in the
163 Title XIX Medicaid program as an intermediate care facility for
164 individuals with intellectual disabilities, a nursing home, rest home or
165 residential care home, as defined in section 19a-490. "Facility" does not
166 include a nursing home that does not participate in the Medicaid
167 program and is associated with a continuing care facility as described in
168 section 17b-520.

169 (b) Any facility which intends to (1) transfer all or part of its
170 ownership or control prior to being initially licensed; (2) introduce any
171 additional function or service into its program of care or expand an
172 existing function or service; (3) terminate a service or decrease
173 substantially its total licensed bed capacity; or (4) relocate all or a portion
174 of such facility's licensed beds, to a new facility or replacement facility,
175 shall submit a complete request for permission to implement such

176 transfer, addition, expansion, increase, termination, decrease or
177 relocation of facility beds to the Department of Social Services with such
178 information as the department requires, provided no permission or
179 request for permission [to close a facility] is required (A) to close a
180 facility when a facility in receivership is closed by order of the Superior
181 Court pursuant to section 19a-545, or (B) to change a facility's licensure
182 as a rest home with nursing supervision to licensure as a chronic and
183 convalescent nursing home. The Commissioner of Social Services shall
184 consider the criteria in subdivisions (3) and (4) of subsection (a) of
185 section 17b-354 when evaluating a certificate of need request to relocate
186 licensed nursing facility beds from an existing facility to another
187 licensed nursing facility or to a new facility or replacement facility. The
188 Office of the Long-Term Care Ombudsman pursuant to section 17a-870
189 shall be notified by the facility of any proposed actions pursuant to this
190 subsection at the same time the request for permission is submitted to
191 the department and when a facility in receivership is closed by order of
192 the Superior Court pursuant to section 19a-545.

193 Sec. 5. Section 17b-357 of the general statutes is repealed and the
194 following is substituted in lieu thereof (*Effective from passage*):

195 (a) For purposes of this section and sections 17b-358 to 17b-360,
196 inclusive, a "nursing facility" means a chronic and convalescent home or
197 a rest home with nursing supervision as defined in section 19a-521,
198 which participates in the Medicaid program through a provider
199 agreement with the Department of Social Services.

200 (b) If the Department of Public Health finds, through the results of a
201 survey, that a nursing facility is not in compliance with one or more of
202 the requirements of Subsections (b), (c) and (d) of 42 USC 1396r, or the
203 requirements of applicable state statutes or regulations, and that such
204 noncompliance poses an immediate and serious threat to patient health
205 or safety, the Department of Public Health shall issue a statement of
206 charges to the facility and shall file a copy of the charges with the
207 Department of Social Services with a request for a summary order from
208 the Department of Social Services. The summary order which the

209 Department of Social Services may issue shall include termination of the
210 facility's participation in Medicaid or appointment of a temporary
211 manager to oversee the operation of the facility and may include
212 transfer of patients to other participating facilities; denial of payment
213 under Medicaid for new admissions; imposition of a directed plan of
214 correction of the facility's deficiencies; imposition of civil monetary
215 penalties; or imposition of other remedies authorized by regulations
216 adopted by the Department of Social Services in accordance with
217 chapter 54.

218 (c) If the Department of Public Health finds, through the results of a
219 survey, that a nursing facility is not in compliance with one or more of
220 the requirements of Subsections (b), (c) and (d) of 42 USC 1396r, or the
221 requirements of applicable state statutes or regulations, but that such
222 noncompliance does not pose an immediate and obvious threat to
223 patient health or safety, the Department of Public Health shall issue a
224 statement of charges to the facility and shall file a copy of the charges
225 with the Department of Social Services with a request for an order
226 imposing one or more alternative remedies under this subsection. If the
227 Department of Social Services finds, based on a statement of charges
228 filed by the Department of Public Health, that a nursing facility is not in
229 compliance with one or more of the requirements of Subsections (b), (c)
230 and (d) of 42 USC 1396r, or the requirements of applicable state statutes
231 or regulations, but does not issue a summary order, it may impose one
232 or more of the following alternative remedies: Termination of the
233 facility's participation in Medicaid; appointment of a temporary
234 manager to oversee the operation of the facility; transfer of patients to
235 other participating facilities; denial of payment under Medicaid for new
236 admissions; imposition of a directed plan of correction of the facility's
237 deficiencies; imposition of civil monetary penalties; or imposition of
238 other remedies authorized by regulations adopted by the Department
239 of Social Services in accordance with chapter 54. The civil monetary
240 penalties imposed may be in the range of three thousand two hundred
241 fifty dollars to ten thousand dollars per day for each day the facility is
242 found to be out of compliance with one or more requirements of

243 Subsections (b), (c) and (d) of 42 USC 1396r if the failure to comply with
244 such requirements is found to constitute an immediate and serious
245 threat to resident health or safety, or in the range of two hundred dollars
246 to three thousand dollars per day for each day the facility is found to be
247 out of compliance with a requirement of Subsections (b), (c) and (d) of
248 42 USC 1396r that is found not to constitute an immediate and serious
249 threat to resident health or safety. The exact civil monetary penalty will
250 be set depending on such factors as the existence of repeat deficiencies
251 or uncorrected deficiencies and the overall compliance history of the
252 provider. The remedies available to the Department of Social Services
253 for violations of the requirements of Subsections (b), (c) and (d) of 42
254 USC 1396r are cumulative and are in addition to the remedies available
255 to the Department of Public Health under chapter 368v for violations of
256 state licensure requirements. Any penalties collected by the Department
257 of Social Services pursuant to this section shall be deposited in a special
258 fund under the control of the Department of Social Services, which fund
259 shall be utilized, in the discretion of the department, for the protection
260 of the health or property of residents of nursing facilities found to be
261 deficient, including payment for the costs of relocating residents,
262 payment for the maintenance of operation of a facility pending
263 correction of deficiencies or closure, and reimbursement of residents for
264 personal funds lost. The deficient nursing facility shall be obligated to
265 reimburse the Department of Social Services for any moneys expended
266 by the department at the facility from the fund established pursuant to
267 this section.

268 (d) The facility may request a hearing in accordance with the
269 provisions of chapter 54 from the Department of Social Services within
270 ten days of the issuance of the statement of charges or the summary
271 order, as the case may be. If the facility does not request a hearing within
272 ten days and no summary order has been issued, the Department of
273 Social Services shall automatically adopt the Department of Public
274 Health's findings and shall issue an order incorporating one or more of
275 the remedies authorized by subsection (c) of this section. If the facility
276 timely requests a hearing or the Department of Social Services issues a

277 summary order, the Department of Social Services shall issue a notice of
278 hearing. At such hearing the facility shall be given the opportunity to
279 present evidence and cross-examine witnesses. The Department of
280 Social Services shall issue a decision based on the administrative record
281 and may, if it finds the facility not in compliance with one or more of the
282 requirements of Subsections (b), (c) and (d) of 42 USC 1396r, or the
283 requirements of applicable state statutes or regulations, order any of the
284 remedies specified in this section. The Department of Social Services
285 may impose any of the alternative remedies, except for a civil monetary
286 penalty, during the pendency of any proceedings conducted pursuant
287 to this subsection. In such cases, the Department of Social Services must
288 provide the facility the opportunity to discuss the Department of Public
289 Health's findings at an informal conference prior to the imposition of
290 any remedy. The requirement of an informal conference does not apply
291 to summary order proceedings.

292 Sec. 6. Subsection (b) of section 19a-496 of the general statutes is
293 repealed and the following is substituted in lieu thereof (*Effective from*
294 *passage*):

295 (b) The department may inspect an institution to determine
296 compliance with applicable state statutes and regulations. Upon a
297 finding of noncompliance with such statutes or regulations, the
298 department shall issue a written notice of noncompliance to the
299 institution. Not later than ten business days after such institution
300 receives a notice of noncompliance, the institution shall submit a plan of
301 correction to the department in response to the items of noncompliance
302 identified in such notice. The plan of correction shall include: (1) The
303 measures that the institution intends to implement or systemic changes
304 that the institution intends to make to prevent a recurrence of each
305 identified issue of noncompliance; (2) the date each such corrective
306 measure or change by the institution is effective; (3) the institution's plan
307 to monitor its quality assessment and performance improvement
308 functions to ensure that the corrective measure or systemic change is
309 sustained; and (4) the title of the institution's staff member that is
310 responsible for ensuring the institution's compliance with its plan of

311 correction. The plan of correction shall be deemed to be the institution's
312 representation of compliance with the identified state statutes or
313 regulations identified in the department's notice of noncompliance. The
314 failure of the institution to comply with a plan of correction accepted by
315 the department may be the subject of disciplinary action against the
316 institution pursuant to section 19a-494. Any institution that fails to
317 submit a plan of correction that meets the requirements of this section
318 may be subject to disciplinary action.

319 Sec. 7. Section 19a-700 of the general statutes is repealed and the
320 following is substituted in lieu thereof (*Effective from passage*):

321 (a) A managed residential community shall enter into a written
322 residency agreement with each resident that clearly sets forth the rights
323 and responsibilities of the resident and the managed residential
324 community, including the duties set forth in section 19a-562. The
325 residency agreement shall be set forth in plain language and printed in
326 not less than fourteen-point type. The residency agreement shall be
327 signed by the managed residential community's authorized agent and
328 by the resident, or the resident's legal representative, prior to the
329 resident taking possession of a private residential unit and shall include,
330 at a minimum:

331 (1) An itemization of assisted living services, transportation services,
332 recreation services and any other services and goods, lodging and meals
333 to be provided on behalf of the resident by the managed residential
334 community;

335 (2) A full and fair disclosure of all charges, fees, expenses and costs
336 to be borne by the resident including, for written residency agreements
337 entered into on and after October 1, 2024, nonrefundable charges, fees,
338 expenses and costs;

339 (3) A schedule of payments and disclosure of all late fees or potential
340 penalties;

341 (4) For written residency agreements entered into on and after

342 October 1, 2024, the manner in which the managed residential
343 community may adjust monthly fees or other recurring fees, including,
344 but not limited to, (A) how often fee increases may occur, (B) the
345 schedule or specific dates of such increases, and (C) the history of fee
346 increases over the past three calendar years;

347 ~~[(4)]~~ (5) The grievance procedure with respect to enforcement of the
348 terms of the residency agreement;

349 ~~[(5)]~~ (6) The managed residential community's covenant to comply
350 with all municipal, state and federal laws and regulations regarding
351 consumer protection and protection from financial exploitation;

352 ~~[(6)]~~ (7) The managed residential community's covenant to afford
353 residents all rights and privileges afforded under title 47a;

354 ~~[(7)]~~ (8) The conditions under which the agreement can be terminated
355 by either party;

356 ~~[(8)]~~ (9) Full disclosure of the rights and responsibilities of the
357 resident and the managed residential community in situations
358 involving serious deterioration in the health of the resident,
359 hospitalization of the resident or death of the resident, including a
360 provision that specifies that in the event that a resident of the
361 community dies, the estate or family of such resident shall only be
362 responsible for further payment to the community for a period of time
363 not to exceed fifteen days following the date of death of such resident as
364 long as the private residential unit formerly occupied by the resident
365 has been vacated; and

366 ~~[(9)]~~ (10) Any adopted rules of the managed residential community
367 reasonably designed to promote the health, safety and welfare of
368 residents.

369 (b) The provisions of subdivisions (2) and (4) of subsection (a) of this
370 section shall not apply to a managed residential community that is (1)
371 an elderly housing complex receiving assistance and funding through

372 the United States Department of Housing and Urban Development's
373 Assisted Living Conversion Program, or (2) a demonstration project for
374 the provision of subsidized assisted living services pursuant to section
375 17b-347e.

376 Sec. 8. Section 19a-694 of the 2024 supplement to the general statutes
377 is repealed and the following is substituted in lieu thereof (*Effective*
378 *October 1, 2024*):

379 (a) All managed residential communities operating in the state shall:

380 (1) Provide a written residency agreement to each resident in
381 accordance with section 19a-700, as amended by this act;

382 (2) Provide residents or residents' representatives advance notice of
383 ninety days of any increase to monthly or recurring fees and disclose in
384 writing any nonrefundable charges;

385 (3) Provide residents prorated or full reimbursements of certain
386 charges if the managed residential community determines it can no
387 longer meet the resident's needs during the first forty-five days after
388 occupancy by the resident of the managed residential community unit,
389 including, but not limited to, prorated first month's rent, prorated
390 community fee, full last month's rent and full security deposit;

391 ~~[(2)]~~ (4) Afford residents the ability to access services provided by an
392 assisted living services agency. Such services shall be provided in
393 accordance with a service plan developed in accordance with section
394 19a-699;

395 ~~[(3)]~~ (5) Upon the request of a resident, arrange, in conjunction with
396 the assisted living services agency, for the provision of ancillary medical
397 services on behalf of a resident, including physician and dental services,
398 pharmacy services, restorative physical therapies, podiatry services,
399 hospice care and home health agency services, provided the ancillary
400 medical services are not administered by employees of the managed
401 residential community, unless the resident chooses to receive such

402 services;

403 ~~[(4)]~~ (6) Provide a formally established security program for the
404 protection and safety of residents that is designed to protect residents
405 from intruders;

406 ~~[(5)]~~ (7) Afford residents the rights and privileges guaranteed under
407 title 47a;

408 ~~[(6)]~~ (8) Comply with the provisions of subsection (c) of section 19-13-
409 D105 of the regulations of Connecticut state agencies;

410 ~~[(7)]~~ (9) Assist a resident who has a long-term care insurance policy
411 with preparing and submitting claims for benefits to the insurer,
412 provided such resident has executed a written authorization requesting
413 and directing the insurer to (A) disclose information to the managed
414 residential community relevant to such resident's eligibility for an
415 insurance benefit or payment, and (B) provide a copy of the acceptance
416 or declination of a claim for benefits to the managed residential
417 community at the same time such acceptance or declination is made to
418 such resident; and

419 ~~[(8) On or before January 1, 2024, encourage]~~ (10) Encourage and
420 assist in the establishment of a family council in managed residential
421 communities offering assisted living services. Such family council shall
422 not allow a family member or friend of a resident who is not a resident
423 of a dementia special care unit to participate in the family council
424 without the consent of such resident.

425 (b) The provisions of subdivisions (2) and (3) of subsection (a) of this
426 section shall not apply to a managed residential community that is (1)
427 an elderly housing complex receiving assistance and funding through
428 the United States Department of Housing and Urban Development's
429 Assisted Living Conversion Program, or (2) a demonstration project for
430 the provision of subsidized assisted living services pursuant to section
431 17b-347e.

432 [(b)] (c) No managed residential community shall control or manage
433 the financial affairs or personal property of any resident, except as
434 provided for in subdivision [(7)] (9) of subsection (a) of this section.

435 Sec. 9. Subsection (e) of section 19a-564 of the 2024 supplement to the
436 general statutes is repealed and the following is substituted in lieu
437 thereof (*Effective October 1, 2024*):

438 (e) An assisted living services agency shall: [ensure that] (1) Ensure
439 that all services being provided on an individual basis to clients are fully
440 understood and agreed upon between either the client or the client's
441 representative; [, and] (2) ensure that the client or the client's
442 representative are made aware of the cost of any such services; (3)
443 disclose fee increases to a resident or a resident's representative not later
444 than sixty days prior to such fees taking effect; and (4) provide, upon
445 request, to a resident and a resident's representative the history of fee
446 increases over the past three calendar years. Nothing in this subsection
447 shall be construed to limit an assisted living services agency from
448 immediately adjusting fees to the extent such adjustments are directly
449 related to a change in the level of care or services necessary to meet
450 individual resident safety needs at the time of a scheduled resident care
451 meeting or if a resident's change of condition requires a change in
452 services.

453 Sec. 10. Section 19a-543 of the general statutes is repealed and the
454 following is substituted in lieu thereof (*Effective from passage*):

455 The court shall grant an application for the appointment of a receiver
456 for a nursing home facility or residential care home upon a finding of
457 any of the following: (1) Such facility or home is operating without a
458 license issued pursuant to this chapter or such facility's or home's license
459 has been suspended or revoked pursuant to section 19a-494; (2) such
460 facility or home intends to close and adequate arrangements for
461 relocation of its residents have not been made at least thirty days prior
462 to closing; (3) such facility or home has sustained a serious financial loss
463 or failure [which jeopardizes the health, safety and welfare of the

464 patients] or there is a reasonable likelihood of such loss or failure; or (4)
465 there exists in such facility a condition in substantial violation of the
466 Public Health Code, or any other applicable state statutes, or Title XVIII
467 or XIX of the federal Social Security Act, 42 USC 301, as amended, or any
468 regulation adopted pursuant to such state or federal laws.

469 Sec. 11. Section 19a-547 of the general statutes is repealed and the
470 following is substituted in lieu thereof (*Effective from passage*):

471 (a) The court may appoint any responsible individual or entity whose
472 name is proposed by the Commissioner of Public Health and the
473 Commissioner of Social Services to act as a receiver. [For a nursing home
474 facility, such individual shall be a nursing home facility administrator
475 licensed in the state of Connecticut with substantial experience in
476 operating Connecticut nursing homes. For a residential care home, such
477 individual shall have experience as a residential care home
478 administrator or, if there is no such individual, such individual shall
479 have experience in the state similar to that of a residential care home
480 administrator. The Commissioner of Social Services shall adopt
481 regulations governing qualifications for proposed receivers consistent
482 with this subsection.] Such individual or entity shall (1) be a nursing
483 home facility administrator licensed pursuant to the provisions of
484 sections 19a-511 to 19a-520, inclusive, or (2) have substantial experience
485 in the delivery of high-quality health care services and successful
486 management or operation of long-term care facilities, and have achieved
487 an educational level or have such licensure as customarily is held by
488 persons or entities managing or operating health care facilities similar
489 to the facility or facilities subject to receivership. No state employee or
490 owner, administrator or other person or entity with a financial interest
491 in the nursing home facility or residential care home may serve as a
492 receiver for that nursing home facility or residential care home. No
493 person or entity appointed to act as a receiver shall be permitted to have
494 a current financial interest in the nursing home facility or residential
495 care home; nor shall such person or entity appointed as a receiver be
496 permitted to have a financial interest in the nursing home facility or
497 residential care home for a period of five years from the date the

498 receivership ceases. No person who is employed by a private equity
499 company or entity owned or controlled by a private equity company
500 shall be appointed to act as a receiver of a nursing home facility or
501 residential care home.

502 (b) The court may remove such receiver in accordance with section
503 52-513. A nursing home facility or residential care home receiver
504 appointed pursuant to this section shall be entitled to a reasonable
505 receiver's fee as determined by the court. The receiver shall be liable
506 only in the receiver's official capacity for injury to person and property
507 by reason of the conditions of the nursing home facility or residential
508 care home. The receiver shall not be personally liable, except for acts or
509 omissions constituting gross, wilful or wanton negligence.

510 (c) The court, in its discretion, may require a bond of such receiver in
511 accordance with section 52-506.

512 (d) The court may require the Commissioner of Public Health to
513 provide for the payment of any receiver's fees authorized in subsection
514 (a) of this section upon a showing by such receiver to the satisfaction of
515 the court that (1) the assets of the nursing home facility or residential
516 care home are not sufficient to make such payment, and (2) no other
517 source of payment is available, including the submission of claims in a
518 bankruptcy proceeding. The state shall have a claim for any court-
519 ordered fees and expenses of the receiver that shall have priority over
520 all other claims of secured and unsecured creditors and other persons
521 whether or not such nursing home facility or residential care home is in
522 bankruptcy, to the extent allowed under state or federal law.

523 Sec. 12. Section 19a-561 of the general statutes is repealed and the
524 following is substituted in lieu thereof (*Effective from passage*):

525 (a) As used in this section, (1) "nursing facility management services"
526 means services provided in a nursing facility to manage the operations
527 of such facility, including the provision of care and services, [and] (2)
528 "nursing facility management services certificate holder" means a
529 person or entity certified by the Department of Public Health to provide

530 nursing facility management services, and (3) "managed facility" means
531 a nursing facility that receives nursing facility management services
532 from a nursing facility management services certificate holder.

533 (b) No person or entity shall provide nursing facility management
534 services in this state without obtaining a certificate from the Department
535 of Public Health.

536 (c) Any person or entity seeking a certificate to provide nursing
537 facility management services shall apply to the department, in writing,
538 on a form and in the manner prescribed by the department. Such
539 application shall include the following:

540 (1) (A) The name and business address of the applicant and whether
541 the applicant is an individual, partnership, corporation or other legal
542 entity; (B) if the applicant is a partnership, corporation or other legal
543 entity, the names of the officers, directors, trustees, managing and
544 general partners of the applicant, the names of the persons who have a
545 [ten] five per cent or greater beneficial ownership interest in the
546 partnership, corporation or other legal entity, and a description of each
547 such person's relationship to the applicant; (C) if the applicant is a
548 corporation incorporated in another state, a certificate of good standing
549 from the state agency with jurisdiction over corporations in such state;
550 and (D) if the applicant currently provides nursing facility management
551 services in another state, a certificate of good standing from the licensing
552 agency with jurisdiction over public health for each state in which such
553 services are provided;

554 (2) A description of the applicant's nursing facility management
555 experience;

556 (3) An affidavit signed by the applicant and any of the persons
557 described in subparagraph (B) of subdivision (1) of this subsection
558 disclosing any matter in which the applicant or such person (A) has been
559 convicted of an offense classified as a felony under section 53a-25 or
560 pleaded nolo contendere to a felony charge, or (B) has been held liable
561 or enjoined in a civil action by final judgment, if the felony or civil action

562 involved fraud, embezzlement, fraudulent conversion or
563 misappropriation of property, or (C) is subject to a currently effective
564 injunction or restrictive or remedial order of a court of record at the time
565 of application, or (D) within the past five years has had any state or
566 federal license or permit suspended or revoked as a result of an action
567 brought by a governmental agency or department, arising out of or
568 relating to business activity or health care, including, but not limited to,
569 actions affecting the operation of a nursing facility, residential care
570 home or any facility subject to sections 17b-520 to 17b-535, inclusive, or
571 a similar statute in another state or country; and

572 (4) The location and description of any nursing facility in this state or
573 another state in which the applicant or a beneficial owner of the
574 applicant currently provides management services or has provided such
575 services or is currently or has been the owner, operator or administrator
576 within the past five years and whether any such facility has been subject
577 to:

578 (A) Three or more civil penalties imposed through final order of the
579 commissioner in accordance with the provisions of sections 19a-524 to
580 19a-528, inclusive, or civil penalties imposed pursuant to the laws or
581 regulations of another state during the two-year period preceding the
582 date on which such application is submitted;

583 (B) Sanctions, other than civil penalties less than or equal to twenty
584 thousand dollars, imposed in any state through final adjudication under
585 the Medicare or Medicaid program pursuant to Title XVIII or XIX of the
586 federal Social Security Act, 42 USC 301, as amended from time to time;
587 or

588 (C) Termination or nonrenewal of a Medicare or Medicaid provider
589 agreement.

590 (d) In addition to the information provided pursuant to subsection (c)
591 of this section, the department may reasonably request to review the
592 applicant's audited and certified financial statements, which shall
593 remain the property of the applicant when used for either initial or

594 renewal certification under this section.

595 (e) Each application for a certificate to provide nursing facility
596 management services shall be accompanied by an application fee of
597 three hundred dollars. The certificate shall list each location at which
598 nursing facility management services may be provided by the holder of
599 the certificate. The nursing facility management services certificate
600 holder shall request the approval of the Department of Public Health to
601 provide nursing facility management services not later than thirty days
602 in advance of providing services to a nursing facility not listed on its
603 certificate. The department may grant said approval subject to
604 conditions or deny such approval based upon the compliance with state
605 and federal regulatory requirements by the nursing facilities managed
606 by the holder of the certificate.

607 (f) The department shall base its decision on whether to issue or
608 renew a certificate on the information presented and otherwise available
609 to the department and on the compliance status of the managed
610 [entities] facilities. The department may deny certification to any
611 applicant for the provision of nursing facility management services (1)
612 [at any specific facility or facilities where there has been a substantial
613 failure to comply with the Public Health Code, or (2)] if the applicant
614 fails to provide the information required under [subdivision (1) of]
615 subsection (c) of this section, or (2) if the department determines that the
616 applicant or a beneficial owner of the applicant has an unacceptable
617 history of past and current compliance with state licensure
618 requirements, applicable federal requirements and state regulatory
619 requirements for each licensed health care facility owned, operated or
620 managed by the applicant or a beneficial owner of the applicant in the
621 United States or any territory of the United States during the five years
622 preceding the date on which such application is submitted, as evidenced
623 by:

624 (A) Any such licensed health care facility being subject to any adverse
625 action described in subdivision (4) of subsection (c) of this section;

626 (B) Any such licensed health care facility having continuing
627 violations or a pattern of violations of state licensure standards or
628 federal certification standards; or

629 (C) Criminal conviction of, or a guilty plea by, an applicant or
630 beneficial owner of an applicant on or to a charge of fraud, patient or
631 resident abuse or neglect or a crime of violence or moral turpitude.

632 (g) Renewal applications shall be made biennially after (1)
633 submission of the information required by subsection (c) of this section
634 and any other information required by the department, [pursuant to
635 subsection (d) of this section,] and (2) submission of evidence
636 satisfactory to the department that any nursing facility at which the
637 applicant provides nursing facility management services has been and
638 currently is in substantial compliance with federal regulatory
639 requirements, the provisions of this chapter, the Public Health Code and
640 licensing regulations, and (3) payment of a three-hundred-dollar fee.

641 (h) In any case in which the Commissioner of Public Health finds that
642 there has been a substantial failure by one or more managed facilities to
643 comply with state licensure requirements, applicable federal
644 requirements and state regulatory requirements or a substantial failure
645 by a nursing facility management services certificate holder managing
646 such facilities to comply with the requirements for such certificate
647 holder established under this section, the commissioner may initiate and
648 impose disciplinary action against a nursing facility management
649 services certificate holder pursuant to section 19a-494. If three or more
650 facilities managed by a nursing facility management services certificate
651 holder are subject to civil penalties imposed through final order of the
652 commissioner in accordance with the provisions of sections 19a-524 to
653 19a-528, inclusive, during a twelve-month period, the commissioner
654 may impose a civil penalty on the nursing facility management services
655 certificate holder of not more than twenty thousand dollars. The
656 procedure for imposition of said penalty shall be in accordance with
657 subsection (b) of section 19a-494.

658 (i) The department may limit or restrict the provision of management
659 services by any nursing facility management services certificate holder
660 against whom disciplinary action has been initiated under subsection
661 (h) of this section.

662 (j) The department, in implementing the provisions of this section,
663 may conduct any inquiry or investigation, in accordance with the
664 provisions of section 19a-498, regarding an applicant or certificate
665 holder.

666 (k) In any case in which the commissioner finds that there has been a
667 substantial failure to comply with the requirements established under
668 this chapter, or regulations adopted thereunder, the commissioner may
669 require the nursing facility licensee and the nursing facility
670 management service certificate holder to jointly submit a plan of
671 correction as described in section 19a-496, as amended by this act. A
672 plan of correction accepted by the department shall constitute an order
673 of the department. Violation of such order may be the subject of
674 disciplinary action against a nursing facility management services
675 certificate holder pursuant to section 19a-494.

676 (l) Any person or entity providing nursing facility management
677 services without the certificate required under this section shall be
678 subject to a civil penalty of not more than one thousand dollars for each
679 day that the services are provided without such certificate.

680 Sec. 13. (*Effective from passage*) (a) There is established a working
681 group to study the impact of prohibiting licensed chronic and
682 convalescent nursing homes and rest homes with nursing supervision
683 from placing newly admitted residents in rooms containing more than
684 two beds without consent pursuant to the provisions of subsection (b)
685 of section 19a-521b of the general statutes, as amended by this act. The
686 working group shall examine methods to (1) assist such facilities
687 affected by the provisions of said subsection, including identifying
688 opportunities to support the financial sustainability of such facilities,
689 and (2) ensure that such facilities are able to comply with the provisions

690 of said subsection.

691 (b) The working group shall consist of the following members:

692 (1) One appointed by the speaker of the House of Representatives;

693 (2) One appointed by the president pro tempore of the Senate;

694 (3) One appointed by the majority leader of the House of
695 Representatives;

696 (4) One appointed by the majority leader of the Senate;

697 (5) One appointed by the minority leader of the House of
698 Representatives;

699 (6) One appointed by the minority leader of the Senate;

700 (7) The Secretary of the Office of Policy and Management, or the
701 secretary's designee;

702 (8) The Commissioner of Social Services, or the commissioner's
703 designee;

704 (9) The Commissioner of Public Health, or the commissioner's
705 designee;

706 (10) The chairpersons of the joint standing committee of the General
707 Assembly having cognizance of matters relating to aging; and

708 (11) The ranking members of the joint standing committee of the
709 General Assembly having cognizance of matters relating to aging.

710 (c) Any member of the working group appointed under subdivision
711 (1), (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member
712 of the General Assembly.

713 (d) All initial appointments to the working group shall be made not
714 later than thirty days after the effective date of this section. Any vacancy
715 shall be filled by the appointing authority.

716 (e) The House chairperson and House ranking member of the joint
 717 standing committee of the General Assembly having cognizance of
 718 matters relating to aging shall be the chairpersons of the working group.
 719 Such chairpersons shall schedule the first meeting of the working group,
 720 which shall be held not later than sixty days after the effective date of
 721 this section.

722 (f) The administrative staff of the joint standing committee of the
 723 General Assembly having cognizance of matters relating to aging shall
 724 serve as administrative staff of the working group.

725 (g) Not later than January 1, 2026, the working group shall submit a
 726 report on its findings and recommendations to the joint standing
 727 committee of the General Assembly having cognizance of matters
 728 relating to aging, in accordance with the provisions of section 11-4a of
 729 the general statutes. The working group shall terminate on the date that
 730 it submits such report or January 1, 2026, whichever is later."

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	19a-521b
Sec. 2	<i>July 1, 2024</i>	19a-533
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	17b-352(a) and (b)
Sec. 5	<i>from passage</i>	17b-357
Sec. 6	<i>from passage</i>	19a-496(b)
Sec. 7	<i>from passage</i>	19a-700
Sec. 8	<i>October 1, 2024</i>	19a-694
Sec. 9	<i>October 1, 2024</i>	19a-564(e)
Sec. 10	<i>from passage</i>	19a-543
Sec. 11	<i>from passage</i>	19a-547
Sec. 12	<i>from passage</i>	19a-561
Sec. 13	<i>from passage</i>	New section