
OLR Bill Analysis

sHB 7026 (as amended by House "A")

AN ACT CONCERNING EXCEPTIONS TO THE NURSING HOME BED MORATORIUM.

SUMMARY

Existing law establishes a nursing home bed moratorium that generally prohibits the Department of Social Services (DSS) from accepting or approving certificate of need (CON, see BACKGROUND) requests for more nursing home beds, with certain exceptions.

This bill adds a new exception that allows DSS to approve a request to add new Medicaid-certified beds to existing or new nursing homes. When doing so, the department must give preference to nontraditional, small-house style nursing homes whose goals are in keeping with the department's long-term care strategic plan to address facility needs in priority census tracts.

Under existing law and the bill, the DSS commissioner must consider several factors when reviewing these requests, such as whether there is clear public need to add new Medicaid-certified beds. When determining public need, the commissioner must consider whether there is a demonstrated bed need in the towns within a 15-mile radius of the town where the new beds will be added. (Existing law also requires the commissioner to do this when considering requests to relocate beds to a replacement nursing home.) Existing law also requires the commissioner to consider how a request contributes to regional long-term care delivery quality, accessibility, and cost-effectiveness. Under the bill, in making this consideration, she must include the requesting nursing home's star rating on the Centers for Medicare and Medicaid Service's (CMS) five-star quality rating system for nursing homes.

The bill also modifies how bed need is determined for CON requests.

Under the bill, a service area with a demonstrated bed need is one whose nursing home occupancy is above 96% for at least two consecutive quarters. The DSS commissioner may also consider the service area's projected future bed need above 96% occupancy using its latest strategic statewide long-term care rebalancing plan.

Currently, demonstrated bed need is based on a service area's nursing home occupancy (the law does not specify a percentage) and projected bed need for up to five years at 97.5% occupancy using the (1) Office of Policy and Management's latest population projections by town and age and (2) Department of Public Health's latest available nursing home utilization statistics by age cohort.

The bill also makes technical changes.

*House Amendment "A" requires the DSS commissioner to consider a nursing home's CMS star rating when determining how a request to add new Medicaid-certified beds contributes to regional long-term care delivery quality, accessibility, and cost-effectiveness.

EFFECTIVE DATE: Upon passage

BACKGROUND

DSS CON Program

By law, nursing homes, rest homes, and intermediate care facilities for people with intellectual disabilities must generally receive CON approval from DSS when (1) introducing new services, (2) changing ownership, (3) relocating licensed beds or decreasing bed capacity, (4) terminating a service, or (5) incurring certain capital expenditures.

Exceptions to Nursing Home Bed Moratorium

For over 30 years, the state has placed a moratorium on new nursing home beds, except for those:

1. restricted to use by patients with AIDS or who require neurological rehabilitation;
2. associated with a continuing care facility, if they are not used for

Medicaid patients;

3. that are Medicaid-certified and relocated from one licensed nursing home to another or to a new facility, under certain conditions; and
4. in certain nontraditional, small-house style nursing homes.

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 23 Nay 0 (03/04/2025)

Aging Committee

Joint Favorable

Yea 13 Nay 0 (04/03/2025)