

# Human Services Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-7026

AN ACT CONCERNING EXCEPTIONS TO THE NURSING HOME BED

**Title:** MORATORIUM.

**Vote Date:** 3/5/2025

**Vote Action:** Joint Favorable

**PH Date:** 2/27/2025

**File No.:** 151

**Disclaimer:** *The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

### SPONSORS OF BILL:

Human Services Committee

### REASONS FOR BILL:

In 1991, Connecticut placed a strict moratorium on the building of new or expansion of existing skilled nursing home facilities. DSS has reduced Medicaid spending and rebalanced the long-term care system by diverting clients into the community instead of institutional settings, keeping them near or at home and within their communities. The Certificate of Need (CON) approval process for more beds has almost no exceptions, leaving DSS without appropriate tools to address the changing needs of the client population and the reduction of nursing home beds across the state.

HB-7026 allows DSS to deal with specific geographic needs throughout the state, especially in rural areas. Post-pandemic, Connecticut's right-sizing and rebalancing goals were no longer aligned. This bill requires specific criteria be met before approving new beds: if a geographic region reaches occupancy above 96% for a minimum of two quarters, DSS can explore adding beds to meet demand, prioritizing household-style living facilities. This is a limited exception intended to permit new beds when necessary to maintain access for Medicaid clients in a precise geographic area, as determined by the carefully controlled CON process.

### RESPONSE FROM ADMINISTRATION/AGENCY:

[Connecticut Department of Social Services, Andrea Barton Reeves, Commissioner.](#)

[Supports:](#) The Department of Social Services (DSS) anticipates the need for an "expansion of nursing home beds," and HB-7026 allows DSS to plan for Connecticut experiencing access needs. DSS has successfully reduced costs and kept clients in their homes and communities

by "redirecting [them] into the community rather than into institutional care settings." Post-Covid, DSS expects rural areas of the state to require an increase in available nursing home beds. HB-7026 "allow[s] for the addition of new nursing home beds – with an emphasis on nontraditional, small-house style facilities – into specific geographic areas to address acute access concerns." DSS will also "update the right-sizing and rebalancing goals" according to criteria requiring "occupancy above 96% for a minimum of two quarters," thus providing flexibility to "authorize new beds under extreme need and circumstances." As a remaining control mechanism, "DSS will continue to have levers through the rate setting system to ensure that any facility with excess beds be incentivized to maintain occupancy or, alternatively, delicense beds if they are unable to be filled." Additionally, the Certificate of Need (CON) process for Medicaid members remains in the DSS toolkit, providing the lens through which DSS will make decisions on new beds. Costs to Medicaid are already accounted for, since the location of the bed does not change client need; rather, this allows clients to remain within their community.

[Connecticut Department of Aging and Disability Services, Mairead Painter, State Long-term Care Ombudsman, Supports with Caution:](#) The Rightsizing Strategic Plan allows "nontraditional, small-house-style nursing homes to be developed in areas of identified need." Ms. Painter urges the Housing Committee require "stringent quality and regulatory benchmarks" before owner/operator expansion requests are granted: (1) "a minimum three-star rating on the Centers for Medicare & Medicaid Services (CMS) Nursing Home Compare system;" (2) "good standing with the Department of Public Health (DPH), meaning none of their owned facilities have received an immediate jeopardy-level deficiency within the past year;" and (3) "resident and family satisfaction" as indicated by "CORE-Q survey [...] rating[s] the facility as at least 'good' or 'excellent'."

## **NATURE AND SOURCES OF SUPPORT:**

[LeadingAge Connecticut, Mag Morelli, President, Supports with Caution:](#) The moratorium on building new or expanding existing nursing homes began as an effort to control Medicaid spending but has recently shifted toward "rebalanc[ing] the long-term care system by reducing the number of nursing home beds while enabling individuals to receive long term [...] supports in the community." While close to achieving rebalancing goals, Connecticut now finds itself "lacking access to nursing home care in various geographic regions of the state." HB-7026 gives DSS flexibility and guidance to tackle these geographic needs through the Certificate of Need (CON) process.

The capital needed to build a new nursing home is extremely high and hard to obtain. Ms. Morelli warns the "15-mile radius to measure the demand or need for nursing home beds in a geographic area" may be too restrictive and dismissive of the realities of needs. This statutory requirement within the CON process fails to account for certain factors such as "the state's highway system and regional areas and/or boundaries that residents of our state naturally adhere to, such as being east or west of the river."

[AARP Connecticut, Nora Duncan, State Director, Supports with Recommendations:](#) AARP supports the emphasis on small house "nursing homes including the 'Green House' nursing home model of care." Features like private rooms and bathrooms improve resident satisfaction and staff empowerment. Connecticut should only approve new beds for providers

who follow the Green House model, which "meet all federal and state nursing home requirements." A Green House certified home has "three core values:"

1. Real Home: Intentional communities of belonging that leverage the power of normal, deinstitutionalized living, and convivium;
2. Meaningful Life: Homes that are centered on elders, where deep knowing, autonomy and control, and purposeful, meaningful engagement are key; and,
3. Empowered Staff: As part of a radical organizational redesign, empowered teams thrive on a collaborative coaching culture and shared decision-making.

By building around these core values, Green House nursing homes may achieve "four primary goals": meaningful lives, improved quality of care, improved staff job satisfaction, and cost-neutral operations. AARP pushes the Housing Committee to "incentivize nursing home providers to move in the direction of Green House Project certification."

<https://thegreenhouseproject.org/>

[Connecticut Association of Health Care Facilities/Connecticut Center for Assisted Living, Matthew Barrett, President & CEO, Supports with a Proposed Change:](#)

HB-7026 makes important, much-needed updates to the law. It is supported by the diligent monitoring of the Department of Social Services, DSS Commissioner Barton-Reeves, and the Nursing Home Excess Bed Capacity Working Group. Mr. Barrett recommends a change to HB-7026 subsection (a) by adding the following language: "or preference given to single resident rooms to enhance facility infection prevention and control."

#### **NATURE AND SOURCES OF OPPOSITION:**

None expressed.

**Reported by: Rebecca Hyland**

**Date: April 1, 2025**