

General Assembly

January Session, 2025

Governor's Bill No. 1251

LCO No. **4290**

Referred to Committee on HUMAN SERVICES

Introduced by: Request of the Governor Pursuant to Joint Rule 9

AN ACT IMPLEMENTING THE GOVERNOR'S RECOMMENDATIONS FOR HEALTH AND HUMAN SERVICES.

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

Section 1. Section 14-11b of the general statutes is repealed and the
 following is substituted in lieu thereof (*Effective July 1, 2025*):

3 (a) There shall be within the Department of [Aging and Disability 4 Services] Motor Vehicles a unit for the purpose of evaluating and 5 training persons with disabilities in the operation of motor vehicles. 6 There shall be assigned to the driver training unit for persons with 7 disabilities such staff as is necessary for the orderly administration of 8 the driver training program for persons with disabilities. The personnel 9 assigned to the driver training unit for persons with disabilities shall, 10 while engaged in the evaluation, [or] instruction or examination of a 11 person with disabilities, have the authority and immunities with respect 12 to such activities as are granted under the general statutes to motor 13 vehicle inspectors. The Commissioner of Motor Vehicles may permit a 14 person whose license has been withdrawn as a result of a condition that 15 makes such person eligible for evaluation and training under this 16 section to operate a motor vehicle while accompanied by personnel 17 assigned to the driver training unit for persons with disabilities. [When 18 a person with disabilities has successfully completed the driver training 19 program for persons with disabilities, the Department of Aging and 20 Disability Services shall certify such completion in writing to the 21 Commissioner of Motor Vehicles and shall recommend any license 22 restrictions or limitations to be placed on the license of such person. The 23 Commissioner of Motor Vehicles may accept such certification in lieu of 24 the driving skills portion of the examination prescribed under 25 subsection (e) of section 14-36. If such person with disabilities has met 26 all other requirements for obtaining a license, the Commissioner of 27 Motor Vehicles shall issue a license with such restrictions recommended 28 by the Department of Aging and Disability Services.]

29 (b) Any resident of this state who has a serious physical or mental 30 disability which does not render the resident incapable of operating a 31 motor vehicle and who must utilize special equipment in order to 32 operate a motor vehicle and who cannot obtain instruction in the 33 operation of a motor vehicle through any alternate program, including, 34 but not limited to, other state, federal or privately operated drivers' 35 schools shall be eligible for instruction under the Department of [Aging 36 and Disability Services] Motor Vehicles driver training program for 37 persons with disabilities.

Sec. 2. Subsection (b) of section 17b-104 of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective July 1*,
2025):

(b) On July 1, 2007, and annually thereafter, the commissioner shall increase the payment standards over those of the previous fiscal year under the state-administered general assistance program by the percentage increase, if any, in the most recent calendar year average in the consumer price index for urban consumers over the average for the previous calendar year, provided the annual increase, if any, shall not exceed five per cent, except that the payment standards for the fiscal
years ending June 30, 2010, June 30, 2011, June 30, 2012, June 30, 2013,
June 30, 2016, June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020,
[and] June 30, 2021, June 30, 2026, and June 30, 2027, shall not be
increased.

52 Sec. 3. Subsection (a) of section 17b-106 of the general statutes is 53 repealed and the following is substituted in lieu thereof (*Effective July 1*, 54 2025):

55 (a) On July 1, 1989, and annually thereafter, the commissioner shall 56 increase the adult payment standards over those of the previous fiscal 57 year for the state supplement to the federal Supplemental Security 58 Income Program by the percentage increase, if any, in the most recent 59 calendar year average in the consumer price index for urban consumers 60 over the average for the previous calendar year, provided the annual 61 increase, if any, shall not exceed five per cent, except that the adult 62 payment standards for the fiscal years ending June 30, 1993, June 30, 63 1994, June 30, 1995, June 30, 1996, June 30, 1997, June 30, 1998, June 30, 1999, June 30, 2000, June 30, 2001, June 30, 2002, June 30, 2003, June 30, 64 65 2004, June 30, 2005, June 30, 2006, June 30, 2007, June 30, 2008, June 30, 66 2009, June 30, 2010, June 30, 2011, June 30, 2012, June 30, 2013, June 30, 67 2016, June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020, [and] June 68 30, 2021, June 30, 2026, and June 30, 2027, shall not be increased. 69 Effective October 1, 1991, the coverage of excess utility costs for 70 recipients of the state supplement to the federal Supplemental Security 71 Income Program is eliminated. Notwithstanding the provisions of this 72 section, the commissioner may increase the personal needs allowance 73 component of the adult payment standard as necessary to meet federal 74 maintenance of effort requirements.

Sec. 4. Subsection (a) of section 17b-112g of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective July 1*,
2025):

78 (a) The Commissioner of Social Services shall offer immediate 79 diversion assistance designed to prevent certain families who are applying for monthly temporary family assistance from needing such 80 81 assistance. Diversion assistance shall be offered to families that (1) upon 82 initial assessment are determined eligible for temporary family 83 assistance, (2) demonstrate a short-term need that cannot be met with 84 current or anticipated family resources, and (3) with the provision of a 85 service or short-term benefit, would be prevented from needing 86 monthly temporary family assistance. [Within resources available to the 87 Department of Social Services, a person who requests diversion 88 assistance on the basis of being a victim of domestic violence, as defined 89 in section 17b-112a, shall be deemed to satisfy subdivision (2) of this 90 subsection and shall not be subject to the requirements of subdivision 91 (3) of this subsection. In determining whether the family of such a victim 92 of domestic violence satisfies the requirements of subdivision (1) of this 93 subsection and the appropriate amount of diversion assistance to 94 provide, the commissioner shall not include as a member of the family 95 the spouse, domestic partner or other household member credibly 96 accused of domestic violence by such victim, nor shall the commissioner 97 count the income or assets of such a spouse, domestic partner or other 98 household member. For purposes of this subsection, allegations of 99 domestic violence may be substantiated by the commissioner pursuant 100 to the provisions of subsection (b) of section 17b-112a.]

101 Sec. 5. Section 17b-191 of the general statutes is repealed and the 102 following is substituted in lieu thereof (*Effective July 1, 2025*):

103 (a) Notwithstanding the provisions of sections 17b-190, 17b-195 and 104 17b-196, the Commissioner of Social Services shall operate a state-105 administered general assistance program in accordance with this section 106 and sections 17b-131, 17b-193, 17b-194, 17b-197 and 17b-198. 107 Notwithstanding any provision of the general statutes, on and after 108 October 1, 2003, no town shall be reimbursed by the state for any general 109 assistance medical benefits incurred after September 30, 2003, and on 110 and after March 1, 2004, no town shall be reimbursed by the state for

any general assistance cash benefits or general assistance programadministrative costs incurred after February 29, 2004.

113 (b) The state-administered general assistance program shall provide 114 cash assistance of (1) two hundred dollars per month for an 115 unemployable person upon determination of such person's 116 unemployability; (2) two hundred dollars per month for a transitional 117 person who is required to pay for shelter; and (3) fifty dollars per month 118 for a transitional person who is not required to pay for shelter. The 119 standard of assistance paid for individuals residing in rated boarding 120 facilities shall remain at the level in effect on August 31, 2003. No person 121 shall be eligible for cash assistance under the program if eligible for cash 122 assistance under any other state or federal cash assistance program. The 123 standards of assistance set forth in this subsection shall be subject to 124 annual increases, as described in subsection (b) of section 17b-104, as 125 amended by this act.

126 (c) To be eligible for cash assistance under the program, a person shall 127 (1) be (A) eighteen years of age or older; (B) a minor found by a court to 128 be emancipated pursuant to section 46b-150; or (C) under eighteen years 129 of age and the commissioner determines good cause for such person's 130 eligibility, and (2) not have assets exceeding five hundred dollars or, if 131 such person is married, such person and his or her spouse shall not have 132 assets exceeding one thousand dollars. In determining eligibility, the 133 commissioner shall not consider as income (A) Aid and Attendance 134 pension benefits granted to a veteran, as defined in section 27-103, or the 135 surviving spouse of such veteran; and (B) any tax refund or advance 136 payment with respect to a refundable credit to the same extent such 137 refund or advance payment would be disregarded under 26 USC 6409 138 in any federal program or state or local program financed in whole or in 139 part with federal funds. No person who is a substance abuser and 140 refuses or fails to enter available, appropriate treatment shall be eligible 141 for cash assistance under the program until such person enters 142 treatment. No person whose benefits from the temporary family 143 assistance program have terminated as a result of time-limited benefits

or for failure to comply with a program requirement shall be eligible forcash assistance under the program.

(d) Prior to or upon discontinuance of assistance, a person previously
determined to be a transitional person may petition the commissioner
to review the determination of his or her status. In such review, the
commissioner shall consider factors, including, but not limited to: (1)
Age; (2) education; (3) vocational training; (4) mental and physical
health; and (5) employment history and shall make a determination of
such person's ability to obtain gainful employment.

153 [(e) Notwithstanding any other provision of this section or section 154 17b-194, a victim of domestic violence, as defined in section 17b-112a, 155 who is not eligible for diversion assistance under the provisions of 156 section 17b-112g, shall be eligible for a one-time assistance payment 157 under the state-administered general assistance program within 158 resources available to the Department of Social Services. Such payment 159 shall be equivalent to that which such victim would be entitled to 160 receive as diversion assistance if such victim and his or her family, if 161 any, were eligible for diversion assistance. In determining whether and 162 in what amount a victim of domestic violence and his or her family are 163 eligible for a one-time assistance payment pursuant to this subsection, 164 the commissioner shall not include as a member of such victim's family 165 the spouse, domestic partner or other household member credibly 166 accused of domestic violence by such victim, nor shall the commissioner 167 count the income or assets of such a spouse, domestic partner or other 168 household member. For purposes of this subsection, allegations of 169 domestic violence may be substantiated by the commissioner pursuant 170 to the provisions of subsection (b) of section 17b-112a, and "family" has 171 the same meaning as used in section 17b-112, except as otherwise 172 provided in this subsection.]

173 Sec. 6. Section 17b-278*l* of the general statutes is repealed and the 174 following is substituted in lieu thereof (*Effective July 1, 2025*): (a) (1) As used in this section, "bariatric surgery" means surgical
changes to the digestive system to help a patient with obesity to lose
weight;

(2) "Body mass index" means the number calculated by dividing an
individual's weight in kilograms by the individual's height in meters
squared;

181 (3) "Medical services" means (A) prescription drugs approved by the 182 federal Food and Drug Administration for the treatment of obesity on 183 an outpatient basis for individuals with type 2 diabetes and prescription 184 drugs approved by the federal Food and Drug Administration on an 185 outpatient basis for the treatment of a comorbid condition for 186 individuals with obesity, subject to prior authorization and only after step therapy when clinically appropriate, and (B) nutritional counseling 187 188 provided by a registered dietitian-nutritionist certified pursuant to 189 section 20-206n;

190 (4) "Severe obesity" means a body mass index that is:

191 (A) Greater than forty; or

(B) Thirty-five or more if an individual has been diagnosed with a
comorbid disease or condition, including, but not limited to, a
cardiopulmonary condition, diabetes, hypertension or sleep apnea; and

195 (5) "Obesity" means a body mass index of thirty or higher.

196 (b) The Commissioner of Social Services shall [provide medical 197 assistance] amend the Medicaid state plan and the state plan for the 198 Children's Health Insurance Program to implement the provisions of 199 this section and provide coverage under the Medicaid program, in 200 accordance with federal law, for (1) bariatric surgery and related 201 medical services for Medicaid and HUSKY B beneficiaries with severe 202 obesity, and (2) medical services for Medicaid and HUSKY B 203 beneficiaries with a body mass index greater than thirty-five, provided

such beneficiaries otherwise meet conditions set by the Centers for
Medicare and Medicaid Services for such surgery and medical services.
If necessary, the commissioner may amend the Medicaid state plan and
the state plan for the Children's Health Insurance Program to implement
the provisions of this section.

(c) Notwithstanding the provisions of subsection (b) of section 17b 274f, any step therapy that may be required by the Commissioner of
 Social Services pursuant to the provisions of this section may be for a
 period of time not longer than one hundred eighty days.

Sec. 7. Subsection (a) of section 17b-244 of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective July 1*,
2025):

216 (a) The room and board component of the rates to be paid by the state 217 to private facilities and facilities operated by regional education service 218 centers which are licensed to provide residential care pursuant to 219 section 17a-227, but not certified to participate in the Title XIX Medicaid 220 program as intermediate care facilities for individuals with intellectual 221 disabilities, shall be determined annually by the Commissioner of Social 222 Services, except that rates effective April 30, 1989, shall remain in effect 223 through October 31, 1989. Any facility with real property other than 224 land placed in service prior to July 1, 1991, shall, for the fiscal year 225 ending June 30, 1995, receive a rate of return on real property equal to 226 the average of the rates of return applied to real property other than land 227 placed in service for the five years preceding July 1, 1993. For the fiscal 228 year ending June 30, 1996, and any succeeding fiscal year, the rate of 229 return on real property for property items shall be revised every five 230 years. The commissioner shall, upon submission of a request by such 231 facility, allow actual debt service, comprised of principal and interest, 232 on the loan or loans in lieu of property costs allowed pursuant to section 233 17-313b-5 of the regulations of Connecticut state agencies, whether 234 actual debt service is higher or lower than such allowed property costs, 235 provided such debt service terms and amounts are reasonable in

236 relation to the useful life and the base value of the property. In the case 237 of facilities financed through the Connecticut Housing Finance 238 Authority, the commissioner shall allow actual debt service, comprised 239 of principal, interest and a reasonable repair and replacement reserve 240 on the loan or loans in lieu of property costs allowed pursuant to section 241 17-313b-5 of the regulations of Connecticut state agencies, whether 242 actual debt service is higher or lower than such allowed property costs, 243 provided such debt service terms and amounts are determined by the 244 commissioner at the time the loan is entered into to be reasonable in 245 relation to the useful life and base value of the property. The 246 commissioner may allow fees associated with mortgage refinancing 247 provided such refinancing will result in state reimbursement savings, 248 after comparing costs over the terms of the existing proposed loans. For 249 the fiscal year ending June 30, 1992, the inflation factor used to 250 determine rates shall be one-half of the gross national product 251 percentage increase for the period between the midpoint of the cost year 252 through the midpoint of the rate year. For fiscal year ending June 30, 253 1993, the inflation factor used to determine rates shall be two-thirds of 254 the gross national product percentage increase from the midpoint of the 255 cost year to the midpoint of the rate year. For the fiscal years ending 256 June 30, 1996, and June 30, 1997, no inflation factor shall be applied in 257 determining rates. The Commissioner of Social Services shall prescribe 258 uniform forms on which such facilities shall report their costs. Such rates 259 shall be determined on the basis of a reasonable payment for necessary 260 services. Any increase in grants, gifts, fund-raising or endowment 261 income used for the payment of operating costs by a private facility in 262 the fiscal year ending June 30, 1992, shall be excluded by the 263 commissioner from the income of the facility in determining the rates to 264 be paid to the facility for the fiscal year ending June 30, 1993, provided 265 any operating costs funded by such increase shall not obligate the state 266 to increase expenditures in subsequent fiscal years. Nothing contained 267 in this section shall authorize a payment by the state to any such facility 268 in excess of the charges made by the facility for comparable services to 269 the general public. The service component of the rates to be paid by the

270 state to private facilities and facilities operated by regional education 271 service centers which are licensed to provide residential care pursuant 272 to section 17a-227, but not certified to participate in the Title XIX 273 Medicaid programs as intermediate care facilities for individuals with 274 intellectual disabilities, shall be determined annually by the 275 Commissioner of Developmental Services in accordance with section 276 17b-244a. For the fiscal year ending June 30, 2008, no facility shall receive 277 a rate that is more than two per cent greater than the rate in effect for 278 the facility on June 30, 2007, except any facility that would have been 279 issued a lower rate effective July 1, 2007, due to interim rate status or 280 agreement with the department, shall be issued such lower rate effective 281 July 1, 2007. For the fiscal year ending June 30, 2009, no facility shall 282 receive a rate that is more than two per cent greater than the rate in effect 283 for the facility on June 30, 2008, except any facility that would have been 284 issued a lower rate effective July 1, 2008, due to interim rate status or 285 agreement with the department, shall be issued such lower rate effective 286 July 1, 2008. For the fiscal years ending June 30, 2010, and June 30, 2011, 287 rates in effect for the period ending June 30, 2009, shall remain in effect 288 until June 30, 2011, except that (1) the rate paid to a facility may be higher 289 than the rate paid to the facility for the period ending June 30, 2009, if a 290 capital improvement required by the Commissioner of Developmental 291 Services for the health or safety of the residents was made to the facility 292 during the fiscal years ending June 30, 2010, or June 30, 2011, and (2) any 293 facility that would have been issued a lower rate for the fiscal year 294 ending June 30, 2010, or June 30, 2011, due to interim rate status or 295 agreement with the department, shall be issued such lower rate. For the 296 fiscal year ending June 30, 2012, rates in effect for the period ending June 297 30, 2011, shall remain in effect until June 30, 2012, except that (A) the 298 rate paid to a facility may be higher than the rate paid to the facility for 299 the period ending June 30, 2011, if a capital improvement required by 300 the Commissioner of Developmental Services for the health or safety of 301 the residents was made to the facility during the fiscal year ending June 302 30, 2012, and (B) any facility that would have been issued a lower rate 303 for the fiscal year ending June 30, 2012, due to interim rate status or

304 agreement with the department, shall be issued such lower rate. Any 305 facility that has a significant decrease in land and building costs shall 306 receive a reduced rate to reflect such decrease in land and building costs. 307 The rate paid to a facility may be increased if a capital improvement 308 approved by the Department of Developmental Services, in consultation 309 with the Department of Social Services, for the health or safety of the 310 residents was made to the facility during the fiscal year ending June 30, 311 2014, or June 30, 2015, only to the extent such increases are within 312 available appropriations. For the fiscal years ending June 30, 2016, and 313 June 30, 2017, rates shall not exceed those in effect for the period ending 314 June 30, 2015, except the rate paid to a facility may be higher than the 315 rate paid to the facility for the period ending June 30, 2015, if a capital 316 improvement approved by the Department of Developmental Services, 317 in consultation with the Department of Social Services, for the health or 318 safety of the residents was made to the facility during the fiscal year 319 ending June 30, 2016, or June 30, 2017, to the extent such rate increases 320 are within available appropriations. For the fiscal years ending June 30, 321 2016, and June 30, 2017, and each succeeding fiscal year, any facility that 322 would have been issued a lower rate, due to interim rate status, a change 323 in allowable fair rent or agreement with the department, shall be issued 324 such lower rate. For the fiscal years ending June 30, 2018, and June 30, 325 2019, rates shall not exceed those in effect for the period ending June 30, 326 2017, except the rate paid to a facility may be higher than the rate paid 327 to the facility for the period ending June 30, 2017, if a capital 328 improvement approved by the Department of Developmental Services, 329 in consultation with the Department of Social Services, for the health or 330 safety of the residents was made to the facility during the fiscal year 331 ending June 30, 2018, or June 30, 2019, to the extent such rate increases 332 are within available appropriations. For the fiscal years ending June 30, 333 2020, and June 30, 2021, rates shall not exceed those in effect for the fiscal 334 year ending June 30, 2019, except the rate paid to a facility may be higher 335 than the rate paid to the facility for the fiscal year ending June 30, 2019, 336 improvement approved by the Department if а capital of 337 Developmental Services, in consultation with the Department of Social

338 Services, for the health or safety of the residents was made to the facility 339 during the fiscal year ending June 30, 2020, or June 30, 2021, to the extent 340 such rate increases are within available appropriations. For the fiscal 341 years ending June 30, 2022, and June 30, 2023, rates shall be based upon 342 rates in effect for the fiscal year ending June 30, 2021, inflated by the 343 gross domestic product deflator applicable to each rate year, except the 344 commissioner may, in the commissioner's discretion and within 345 available appropriations, provide pro rata fair rent increases to facilities 346 which have documented fair rent additions placed in service in the cost 347 report years ending September 30, 2020, and September 30, 2021, that 348 are not otherwise included in rates issued, or if a rate adjustment for a 349 capital improvement approved by the Department of Developmental 350 Services, in consultation with the Department of Social Services, for the 351 health or safety of the residents was made to the facility during the fiscal 352 year ending June 30, 2022, or June 30, 2023. For the fiscal year ending 353 June 30, 2024, rates shall not exceed those in effect for the fiscal year 354 ending June 30, 2023, except the rate paid to a facility may be higher 355 than the rate paid to the facility for the fiscal year ending June 30, 2023, 356 if а capital improvement approved by the Department of 357 Developmental Services, in consultation with the Department of Social 358 Services, for the health or safety of the residents was made to the facility 359 during the fiscal year ending June 30, 2024, to the extent such rate 360 increases are within available appropriations. For the fiscal years ending 361 June 30, 2026, and June 30, 2027, rates shall not exceed those in effect for 362 the fiscal year ending June 30, 2025, except the rate paid to a facility may be higher than the rate paid to the facility for the fiscal year ending June 363 364 <u>30, 2025, if a capital improvement approved by the Department of</u> 365 Developmental Services, in consultation with the Department of Social 366 Services, for the health or safety of the residents was made to the facility 367 during the fiscal year ending June 30, 2026, or June 30, 2027, to the extent such rate increases are within available appropriations. 368

Sec. 8. (*Effective July 1, 2025*) For the fiscal years ending June 30, 2026,
and June 30, 2027, notwithstanding the provisions of subsection (a) of

371 section 17b-244 of the general statutes, as amended by this act, and subsections (a) to (i), inclusive, of section 17b-340 of the general statutes, 372 373 as amended by this act, or any other provision of title 17 or 17b of the 374 general statutes, or regulations adopted thereunder, the state rates of 375 payment in effect for the fiscal year ending June 30, 2025, for residential 376 care homes, community living arrangements and community 377 companion homes that receive the flat rate for residential services under 378 section 17-311-54 of the regulations of Connecticut state agencies shall 379 remain in effect.

Sec. 9. Subdivision (1) of subsection (h) of section 17b-340 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

383 (h) (1) For the fiscal year ending June 30, 1993, any intermediate care 384 facility for individuals with intellectual disabilities with an operating 385 cost component of its rate in excess of one hundred forty per cent of the 386 median of operating cost components of rates in effect January 1, 1992, 387 shall not receive an operating cost component increase. For the fiscal 388 year ending June 30, 1993, any intermediate care facility for individuals 389 with intellectual disabilities with an operating cost component of its rate 390 that is less than one hundred forty per cent of the median of operating 391 cost components of rates in effect January 1, 1992, shall have an 392 allowance for real wage growth equal to thirty per cent of the increase 393 determined in accordance with subsection (q) of section 17-311-52 of the 394 regulations of Connecticut state agencies, provided such operating cost 395 component shall not exceed one hundred forty per cent of the median 396 of operating cost components in effect January 1, 1992. Any facility with 397 real property other than land placed in service prior to October 1, 1991, 398 shall, for the fiscal year ending June 30, 1995, receive a rate of return on 399 real property equal to the average of the rates of return applied to real property other than land placed in service for the five years preceding 400 401 October 1, 1993. For the fiscal year ending June 30, 1996, and any 402 succeeding fiscal year, the rate of return on real property for property 403 items shall be revised every five years. The commissioner shall, upon 404 submission of a request, allow actual debt service, comprised of 405 principal and interest, in excess of property costs allowed pursuant to 406 section 17-311-52 of the regulations of Connecticut state agencies, 407 provided such debt service terms and amounts are reasonable in 408 relation to the useful life and the base value of the property. For the fiscal 409 year ending June 30, 1995, and any succeeding fiscal year, the inflation 410 adjustment made in accordance with subsection (p) of section 17-311-52 411 of the regulations of Connecticut state agencies shall not be applied to 412 real property costs. For the fiscal year ending June 30, 1996, and any 413 succeeding fiscal year, the allowance for real wage growth, as 414 determined in accordance with subsection (q) of section 17-311-52 of the 415 regulations of Connecticut state agencies, shall not be applied. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, no rate 416 417 shall exceed three hundred seventy-five dollars per day unless the 418 with the commissioner, in consultation Commissioner of 419 Developmental Services, determines after a review of program and 420 management costs, that a rate in excess of this amount is necessary for 421 care and treatment of facility residents. For the fiscal year ending June 422 30, 2002, rate period, the Commissioner of Social Services shall increase 423 the inflation adjustment for rates made in accordance with subsection 424 (p) of section 17-311-52 of the regulations of Connecticut state agencies 425 to update allowable fiscal year 2000 costs to include a three and one-half 426 per cent inflation factor. For the fiscal year ending June 30, 2003, rate 427 period, the commissioner shall increase the inflation adjustment for 428 rates made in accordance with subsection (p) of section 17-311-52 of the 429 regulations of Connecticut state agencies to update allowable fiscal year 430 2001 costs to include a one and one-half per cent inflation factor, except 431 that such increase shall be effective November 1, 2002, and such facility 432 rate in effect for the fiscal year ending June 30, 2002, shall be paid for 433 services provided until October 31, 2002, except any facility that would 434 have been issued a lower rate effective July 1, 2002, than for the fiscal 435 year ending June 30, 2002, due to interim rate status or agreement with 436 the department shall be issued such lower rate effective July 1, 2002, and 437 have such rate updated effective November 1, 2002, in accordance with 438 applicable statutes and regulations. For the fiscal year ending June 30, 439 2004, rates in effect for the period ending June 30, 2003, shall remain in 440 effect, except any facility that would have been issued a lower rate 441 effective July 1, 2003, than for the fiscal year ending June 30, 2003, due 442 to interim rate status or agreement with the department shall be issued 443 such lower rate effective July 1, 2003. For the fiscal year ending June 30, 444 2005, rates in effect for the period ending June 30, 2004, shall remain in 445 effect until September 30, 2004. Effective October 1, 2004, each facility 446 shall receive a rate that is five per cent greater than the rate in effect 447 September 30, 2004. Effective upon receipt of all the necessary federal 448 approvals to secure federal financial participation matching funds 449 associated with the rate increase provided in subdivision (4) of 450 subsection (f) of this section, but in no event earlier than October 1, 2005, 451 and provided the user fee imposed under section 17b-320 is required to 452 be collected, each facility shall receive a rate that is four per cent more 453 than the rate the facility received in the prior fiscal year, except any 454 facility that would have been issued a lower rate effective October 1, 455 2005, than for the fiscal year ending June 30, 2005, due to interim rate 456 status or agreement with the department, shall be issued such lower rate 457 effective October 1, 2005. Such rate increase shall remain in effect unless: 458 (A) The federal financial participation matching funds associated with 459 the rate increase are no longer available; or (B) the user fee created 460 pursuant to section 17b-320 is not in effect. For the fiscal year ending 461 June 30, 2007, rates in effect for the period ending June 30, 2006, shall 462 remain in effect until September 30, 2006, except any facility that would 463 have been issued a lower rate effective July 1, 2006, than for the fiscal 464 year ending June 30, 2006, due to interim rate status or agreement with 465 the department, shall be issued such lower rate effective July 1, 2006. 466 Effective October 1, 2006, no facility shall receive a rate that is more than 467 three per cent greater than the rate in effect for the facility on September 468 30, 2006, except any facility that would have been issued a lower rate 469 effective October 1, 2006, due to interim rate status or agreement with 470 the department, shall be issued such lower rate effective October 1, 2006. 471 For the fiscal year ending June 30, 2008, each facility shall receive a rate

472 that is two and nine-tenths per cent greater than the rate in effect for the 473 period ending June 30, 2007, except any facility that would have been 474 issued a lower rate effective July 1, 2007, than for the rate period ending 475 June 30, 2007, due to interim rate status, or agreement with the 476 department, shall be issued such lower rate effective July 1, 2007. For the 477 fiscal year ending June 30, 2009, rates in effect for the period ending June 478 30, 2008, shall remain in effect until June 30, 2009, except any facility that 479 would have been issued a lower rate for the fiscal year ending June 30, 480 2009, due to interim rate status or agreement with the department, shall 481 be issued such lower rate. For the fiscal years ending June 30, 2010, and 482 June 30, 2011, rates in effect for the period ending June 30, 2009, shall 483 remain in effect until June 30, 2011, except any facility that would have 484 been issued a lower rate for the fiscal year ending June 30, 2010, or the 485 fiscal year ending June 30, 2011, due to interim rate status or agreement 486 with the department, shall be issued such lower rate. For the fiscal year 487 ending June 30, 2012, rates in effect for the period ending June 30, 2011, 488 shall remain in effect until June 30, 2012, except any facility that would 489 have been issued a lower rate for the fiscal year ending June 30, 2012, 490 due to interim rate status or agreement with the department, shall be 491 issued such lower rate. For the fiscal years ending June 30, 2014, and 492 June 30, 2015, rates shall not exceed those in effect for the period ending 493 June 30, 2013, except the rate paid to a facility may be higher than the 494 rate paid to the facility for the period ending June 30, 2013, if a capital 495 improvement approved by the Department of Developmental Services, 496 in consultation with the Department of Social Services, for the health or 497 safety of the residents was made to the facility during the fiscal year 498 ending June 30, 2014, or June 30, 2015, to the extent such rate increases 499 are within available appropriations. Any facility that would have been 500 issued a lower rate for the fiscal year ending June 30, 2014, or the fiscal 501 year ending June 30, 2015, due to interim rate status or agreement with 502 the department, shall be issued such lower rate. For the fiscal years 503 ending June 30, 2016, and June 30, 2017, rates shall not exceed those in 504 effect for the period ending June 30, 2015, except the rate paid to a 505 facility may be higher than the rate paid to the facility for the period

506 ending June 30, 2015, if a capital improvement approved by the 507 Department of Developmental Services, in consultation with the 508 Department of Social Services, for the health or safety of the residents 509 was made to the facility during the fiscal year ending June 30, 2016, or 510 June 30, 2017, to the extent such rate increases are within available 511 appropriations. For the fiscal years ending June 30, 2016, and June 30, 512 2017, and each succeeding fiscal year, any facility that would have been 513 issued a lower rate, due to interim rate status, a change in allowable fair 514 rent or agreement with the department, shall be issued such lower rate. 515 For the fiscal years ending June 30, 2018, and June 30, 2019, rates shall 516 not exceed those in effect for the period ending June 30, 2017, except the 517 rate paid to a facility may be higher than the rate paid to the facility for 518 the period ending June 30, 2017, if a capital improvement approved by 519 the Department of Developmental Services, in consultation with the 520 Department of Social Services, for the health or safety of the residents 521 was made to the facility during the fiscal year ending June 30, 2018, or 522 June 30, 2019, only to the extent such rate increases are within available 523 appropriations. For the fiscal years ending June 30, 2020, and June 30, 524 2021, rates shall not exceed those in effect for the fiscal year ending June 525 30, 2019, except the rate paid to a facility may be higher than the rate 526 paid to the facility for the fiscal year ending June 30, 2019, if a capital 527 improvement approved by the Department of Developmental Services, 528 in consultation with the Department of Social Services, for the health or 529 safety of the residents was made to the facility during the fiscal year 530 ending June 30, 2020, or June 30, 2021, only to the extent such rate 531 increases are within available appropriations. For the fiscal year ending 532 June 30, 2022, rates shall not exceed those in effect for the fiscal year 533 ending June 30, 2021, except the commissioner may, in the 534 commissioner's discretion and within available appropriations, provide 535 pro rata fair rent increases to facilities that have documented fair rent 536 additions placed in service in the cost report year ending September 30, 537 2020, that are not otherwise included in rates issued. For the fiscal year 538 ending June 30, 2023, rates shall not exceed those in effect for the fiscal 539 year ending June 30, 2022, except the commissioner may, in the

540 commissioner's discretion and within available appropriations, provide 541 pro rata fair rent increases to facilities which have documented fair rent 542 additions placed in service in the cost report year ending September 30, 543 2021, that are not otherwise included in rates issued. For the fiscal years 544 ending June 30, 2022, and June 30, 2023, a facility may receive a rate 545 increase for a capital improvement approved by the Department of 546 Developmental Services, in consultation with the Department of Social 547 Services, for the health or safety of the residents during the fiscal year 548 ending June 30, 2022, or June 30, 2023, only to the extent such rate 549 increases are within available appropriations. There shall be no increase 550 to rates based on inflation or any inflationary factor for the fiscal years 551 ending June 30, 2022, and June 30, 2023. Notwithstanding any other 552 provisions of this chapter, any subsequent increase to allowable 553 operating costs, excluding fair rent, shall be inflated by the gross 554 domestic product deflator when funding is specifically appropriated for 555 such purposes in the enacted budget. The rate of inflation shall be 556 computed by comparing the most recent rate year to the average of the 557 gross domestic product deflator for the previous four fiscal quarters 558 ending March thirty-first. Any increase to rates based on inflation shall 559 be applied prior to the application of any other budget adjustment 560 factors that may impact such rates. For the fiscal year ending June 30, 561 2024, the department shall determine facility rates based upon 2022 cost 562 report filings subject to the provisions of this section, adjusted to reflect 563 any rate increases provided after the cost report year ending June 30, 564 2022, and with the addition of a two per cent adjustment factor. No 565 facility shall receive a rate less than the rate in effect for the fiscal year 566 ending June 30, 2023. For the fiscal year ending June 30, 2024, the 567 minimum per diem, per bed rate shall remain at five hundred one 568 dollars for a residential facility licensed pursuant to section 17a-227 and 569 certified to participate in the Title XIX Medicaid program as an 570 intermediate care facility for individuals with intellectual disability. 571 There shall be no increase to rates based on any inflationary factor for 572 the fiscal year ending June 30, 2024. For the fiscal year ending June 30, 573 2024, and each subsequent fiscal year, the commissioner may, in the

574 commissioner's discretion and within available appropriations, provide 575 pro rata fair rent increases to facilities that have documented fair rent 576 additions placed in service in the cost report years that are not otherwise 577 included in rates issued. For the fiscal year ending June 30, 2025, the 578 department shall determine facility rates based upon 2023 cost report 579 filings subject to the provisions of this section, adjusted to reflect any 580 rate increases provided after the cost report ending June 30, 2023. A 581 facility may receive a rate that is less than the rate in effect for the fiscal 582 year ending June 30, 2024, but shall not receive a rate less than the 583 minimum per diem, per bed rate. For the fiscal year ending June 30, 584 2025, the minimum per diem, per bed rate shall remain at five hundred 585 one dollars for a residential facility licensed pursuant to section 17a-227 586 and certified to participate in the Title XIX Medicaid program as an 587 intermediate care facility for individuals with intellectual disability. 588 There shall be no increase to rates based on any inflationary factor for 589 the fiscal year ending June 30, 2025. For the fiscal year ending June 30, 590 2026, the department shall determine facility rates based upon 2024 cost 591 report filings subject to the provisions of this section, adjusted to reflect 592 any rate increases provided after the cost report ending June 30, 2024. 593 For the fiscal year ending June 30, 2026, there shall be no minimum per 594 diem, per bed rate for a residential facility licensed pursuant to section 595 17a-227 and certified to participate in the Title XIX Medicaid program 596 as an intermediate care facility for individuals with intellectual 597 disability. There shall be no increase to rates based on any inflationary 598 factor for the fiscal year ending June 30, 2026. For the fiscal year ending 599 June 30, 2027, rates shall not exceed those in effect for the fiscal year 600 ending June 30, 2026, except the commissioner may, in the 601 commissioner's discretion and within available appropriations, provide 602 pro rata fair rent increases to facilities that have documented fair rent 603 additions placed in service in the cost report year ending September 30, 2025, that are not otherwise included in rates issued. For the fiscal years 604 ending June 30, 2024, and June 30, 2025, a facility may receive a rate 605 606 increase for a capital improvement approved by the Department of 607 Developmental Services, in consultation with the Department of Social

608 Services, for the health or safety of the residents during the fiscal year 609 ending June 30, 2024, or June 30, 2025, only to the extent such rate 610 increases are within available appropriations. For the fiscal years ending June 30, 2026, and June 30, 2027, a facility may receive a rate increase for 611 612 a capital improvement approved by the Department of Developmental 613 Services, in consultation with the Department of Social Services, for the 614 health or safety of the residents during the fiscal year ending June 30, 615 2026, or June 30, 2027, only to the extent such rate increases are within 616 available appropriations. Any facility that has a significant decrease in 617 land and building costs shall receive a reduced rate to reflect such 618 decrease in land and building costs. For the fiscal years ending June 30, 619 2012, June 30, 2013, June 30, 2014, June 30, 2015, June 30, 2016, June 30, 620 2017, June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021, June 30, 621 2022, June 30, 2023, June 30, 2024, [and] June 30, 2025, June 30, 2026, and 622 June 30, 2027, the Commissioner of Social Services may provide fair rent 623 increases to any facility that has undergone a material change in 624 circumstances related to fair rent and has an approved certificate of need 625 pursuant to section 17b-352, 17b-353, 17b-354 or 17b-355. 626 Notwithstanding the provisions of this section, the Commissioner of 627 Social Services may, within available appropriations, increase or 628 decrease rates issued to intermediate care facilities for individuals with 629 intellectual disabilities to reflect a reduction in available appropriations 630 as provided in subsection (a) of this section. For the fiscal years ending 631 June 30, 2014, and June 30, 2015, the commissioner shall not consider 632 rebasing in determining rates. Notwithstanding the provisions of this subsection, effective July 1, 2021, and July 1, 2022, the commissioner 633 634 shall, within available appropriations, increase rates for the purpose of 635 wage and benefit enhancements for employees of intermediate care 636 facilities. Facilities that receive a rate adjustment for the purpose of wage 637 and benefit enhancements but do not provide increases in employee 638 salaries as described in this subsection on or before July 31, 2021, and 639 July 31, 2022, respectively, may be subject to a rate decrease in the same 640 amount as the adjustment by the commissioner.

641 Sec. 10. Subsection (i) of section 17b-340 of the general statutes is
642 repealed and the following is substituted in lieu thereof (*Effective July 1*,
643 2025):

644 (i) For the fiscal year ending June 30, 1993, any residential care home 645 with an operating cost component of its rate in excess of one hundred 646 thirty per cent of the median of operating cost components of rates in 647 effect January 1, 1992, shall not receive an operating cost component 648 increase. For the fiscal year ending June 30, 1993, any residential care 649 home with an operating cost component of its rate that is less than one 650 hundred thirty per cent of the median of operating cost components of 651 rates in effect January 1, 1992, shall have an allowance for real wage 652 growth equal to sixty-five per cent of the increase determined in 653 accordance with subsection (q) of section 17-311-52 of the regulations of 654 Connecticut state agencies, provided such operating cost component 655 shall not exceed one hundred thirty per cent of the median of operating 656 cost components in effect January 1, 1992. Beginning with the fiscal year 657 ending June 30, 1993, for the purpose of determining allowable fair rent, 658 a residential care home with allowable fair rent less than the twenty-659 fifth percentile of the state-wide allowable fair rent shall be reimbursed 660 as having allowable fair rent equal to the twenty-fifth percentile of the 661 state-wide allowable fair rent. Beginning with the fiscal year ending 662 June 30, 1997, a residential care home with allowable fair rent less than 663 three dollars and ten cents per day shall be reimbursed as having 664 allowable fair rent equal to three dollars and ten cents per day. Property 665 additions placed in service during the cost year ending September 30, 666 1996, or any succeeding cost year shall receive a fair rent allowance for 667 such additions as an addition to three dollars and ten cents per day if the fair rent for the facility for property placed in service prior to 668 669 September 30, 1995, is less than or equal to three dollars and ten cents 670 per day. Beginning with the fiscal year ending June 30, 2016, a 671 residential care home shall be reimbursed the greater of the allowable 672 accumulated fair rent reimbursement associated with real property 673 additions and land as calculated on a per day basis or three dollars and

674 ten cents per day if the allowable reimbursement associated with real 675 property additions and land is less than three dollars and ten cents per 676 day. For the fiscal year ending June 30, 1996, and any succeeding fiscal 677 year, the allowance for real wage growth, as determined in accordance with subsection (q) of section 17-311-52 of the regulations of Connecticut 678 679 state agencies, shall not be applied. For the fiscal year ending June 30, 680 1996, and any succeeding fiscal year, the inflation adjustment made in accordance with subsection (p) of section 17-311-52 of the regulations of 681 682 Connecticut state agencies shall not be applied to real property costs. 683 Beginning with the fiscal year ending June 30, 1997, minimum allowable 684 patient days for rate computation purposes for a residential care home 685 with twenty-five beds or less shall be eighty-five per cent of licensed 686 capacity. Beginning with the fiscal year ending June 30, 2002, for the purposes of determining the allowable salary of an administrator of a 687 688 residential care home with sixty beds or less the department shall revise 689 the allowable base salary to thirty-seven thousand dollars to be annually 690 inflated thereafter in accordance with section 17-311-52 of the 691 regulations of Connecticut state agencies. The rates for the fiscal year 692 ending June 30, 2002, shall be based upon the increased allowable salary 693 of an administrator, regardless of whether such amount was expended 694 in the 2000 cost report period upon which the rates are based. Beginning 695 with the fiscal year ending June 30, 2000, and until the fiscal year ending 696 June 30, 2009, inclusive, the inflation adjustment for rates made in 697 accordance with subsection (p) of section 17-311-52 of the regulations of 698 Connecticut state agencies shall be increased by two per cent, and 699 beginning with the fiscal year ending June 30, 2002, the inflation 700 adjustment for rates made in accordance with subsection (c) of said 701 section shall be increased by one per cent. Beginning with the fiscal year 702 ending June 30, 1999, for the purpose of determining the allowable 703 salary of a related party, the department shall revise the maximum 704 salary to twenty-seven thousand eight hundred fifty-six dollars to be 705 annually inflated thereafter in accordance with section 17-311-52 of the 706 regulations of Connecticut state agencies and beginning with the fiscal 707 year ending June 30, 2001, such allowable salary shall be computed on

708 an hourly basis and the maximum number of hours allowed for a related 709 party other than the proprietor shall be increased from forty hours to 710 forty-eight hours per work week. For the fiscal year ending June 30, 711 2005, each facility shall receive a rate that is two and one-quarter per 712 cent more than the rate the facility received in the prior fiscal year, 713 except any facility that would have been issued a lower rate effective 714 July 1, 2004, than for the fiscal year ending June 30, 2004, due to interim 715 rate status or agreement with the department shall be issued such lower 716 rate effective July 1, 2004. Effective upon receipt of all the necessary 717 federal approvals to secure federal financial participation matching 718 funds associated with the rate increase provided in subdivision (4) of 719 subsection (f) of this section, but in no event earlier than October 1, 2005, 720 and provided the user fee imposed under section 17b-320 is required to 721 be collected, each facility shall receive a rate that is determined in 722 accordance with applicable law and subject to appropriations, except 723 any facility that would have been issued a lower rate effective October 724 1, 2005, than for the fiscal year ending June 30, 2005, due to interim rate 725 status or agreement with the department, shall be issued such lower rate 726 effective October 1, 2005. Such rate increase shall remain in effect unless: 727 (1) The federal financial participation matching funds associated with 728 the rate increase are no longer available; or (2) the user fee created 729 pursuant to section 17b-320 is not in effect. For the fiscal year ending 730 June 30, 2007, rates in effect for the period ending June 30, 2006, shall 731 remain in effect until September 30, 2006, except any facility that would 732 have been issued a lower rate effective July 1, 2006, than for the fiscal 733 year ending June 30, 2006, due to interim rate status or agreement with 734 the department, shall be issued such lower rate effective July 1, 2006. 735 Effective October 1, 2006, no facility shall receive a rate that is more than 736 four per cent greater than the rate in effect for the facility on September 737 30, 2006, except for any facility that would have been issued a lower rate 738 effective October 1, 2006, due to interim rate status or agreement with 739 the department, shall be issued such lower rate effective October 1, 2006. 740 For the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect 741 for the period ending June 30, 2009, shall remain in effect until June 30,

742 2011, except any facility that would have been issued a lower rate for 743 the fiscal year ending June 30, 2010, or the fiscal year ending June 30, 744 2011, due to interim rate status or agreement with the department, shall 745 be issued such lower rate, except (A) any facility that would have been 746 issued a lower rate for the fiscal year ending June 30, 2010, or the fiscal 747 year ending June 30, 2011, due to interim rate status or agreement with 748 the Commissioner of Social Services shall be issued such lower rate; and 749 (B) the commissioner may increase a facility's rate for reasonable costs 750 associated with such facility's compliance with the provisions of section 751 19a-495a concerning the administration of medication by unlicensed 752 personnel. For the fiscal year ending June 30, 2012, rates in effect for the 753 period ending June 30, 2011, shall remain in effect until June 30, 2012, 754 except that (i) any facility that would have been issued a lower rate for 755 the fiscal year ending June 30, 2012, due to interim rate status or 756 agreement with the Commissioner of Social Services shall be issued 757 such lower rate; and (ii) the commissioner may increase a facility's rate 758 for reasonable costs associated with such facility's compliance with the 759 provisions of section 19a-495a concerning the administration of 760 medication by unlicensed personnel. For the fiscal year ending June 30, 761 2013, the Commissioner of Social Services may, within available 762 appropriations, provide a rate increase to a residential care home. Any 763 facility that would have been issued a lower rate for the fiscal year 764 ending June 30, 2013, due to interim rate status or agreement with the 765 Commissioner of Social Services shall be issued such lower rate. For the 766 fiscal years ending June 30, 2012, and June 30, 2013, the Commissioner 767 of Social Services may provide fair rent increases to any facility that has 768 undergone a material change in circumstances related to fair rent and 769 has an approved certificate of need pursuant to section 17b-352, 17b-353, 770 17b-354 or 17b-355. For the fiscal years ending June 30, 2014, and June 771 30, 2015, for those facilities that have a calculated rate greater than the 772 rate in effect for the fiscal year ending June 30, 2013, the commissioner 773 may increase facility rates based upon available appropriations up to a 774 stop gain as determined by the commissioner. No facility shall be issued 775 a rate that is lower than the rate in effect on June 30, 2013, except that

776 any facility that would have been issued a lower rate for the fiscal year 777 ending June 30, 2014, or the fiscal year ending June 30, 2015, due to 778 interim rate status or agreement with the commissioner, shall be issued 779 such lower rate. For the fiscal year ending June 30, 2014, and each fiscal 780 year thereafter, a residential care home shall receive a rate increase for 781 any capital improvement made during the fiscal year for the health and 782 safety of residents and approved by the Department of Social Services, 783 provided such rate increase is within available appropriations. For the 784 fiscal year ending June 30, 2015, and each succeeding fiscal year 785 thereafter, costs of less than ten thousand dollars that are incurred by a 786 facility and are associated with any land, building or nonmovable 787 equipment repair or improvement that are reported in the cost year used 788 to establish the facility's rate shall not be capitalized for a period of more 789 than five years for rate-setting purposes. For the fiscal year ending June 790 30, 2015, subject to available appropriations, the commissioner may, at 791 the commissioner's discretion: Increase the inflation cost limitation 792 under subsection (c) of section 17-311-52 of the regulations of 793 Connecticut state agencies, provided such inflation allowance factor 794 does not exceed a maximum of five per cent; establish a minimum rate 795 of return applied to real property of five per cent inclusive of assets 796 placed in service during cost year 2013; waive the standard rate of return 797 under subsection (f) of section 17-311-52 of the regulations of 798 Connecticut state agencies for ownership changes or health and safety 799 improvements that exceed one hundred thousand dollars and that are 800 required under a consent order from the Department of Public Health; 801 and waive the rate of return adjustment under subsection (f) of section 802 17-311-52 of the regulations of Connecticut state agencies to avoid 803 financial hardship. For the fiscal years ending June 30, 2016, and June 804 30, 2017, rates shall not exceed those in effect for the period ending June 805 30, 2015, except the commissioner may, in the commissioner's discretion 806 and within available appropriations, provide pro rata fair rent increases 807 to facilities which have documented fair rent additions placed in service in cost report years ending September 30, 2014, and September 30, 2015, 808 that are not otherwise included in rates issued. For the fiscal years 809

810 ending June 30, 2016, and June 30, 2017, and each succeeding fiscal year, 811 any facility that would have been issued a lower rate, due to interim rate 812 status, a change in allowable fair rent or agreement with the department, 813 shall be issued such lower rate. For the fiscal year ending June 30, 2018, 814 rates shall not exceed those in effect for the period ending June 30, 2017, 815 except the commissioner may, in the commissioner's discretion and 816 within available appropriations, provide pro rata fair rent increases to 817 facilities which have documented fair rent additions placed in service in 818 the cost report year ending September 30, 2016, that are not otherwise 819 included in rates issued. For the fiscal year ending June 30, 2019, rates 820 shall not exceed those in effect for the period ending June 30, 2018, 821 except the commissioner may, in the commissioner's discretion and 822 within available appropriations, provide pro rata fair rent increases to 823 facilities which have documented fair rent additions placed in service in 824 the cost report year ending September 30, 2017, that are not otherwise 825 included in rates issued. For the fiscal year ending June 30, 2020, rates 826 shall not exceed those in effect for the fiscal year ending June 30, 2019, 827 except the commissioner may, in the commissioner's discretion and 828 within available appropriations, provide pro rata fair rent increases to 829 facilities which have documented fair rent additions placed in service in 830 the cost report year ending September 30, 2018, that are not otherwise 831 included in rates issued. For the fiscal year ending June 30, 2021, rates 832 shall not exceed those in effect for the fiscal year ending June 30, 2020, 833 except the commissioner may, in the commissioner's discretion and 834 within available appropriations, provide pro rata fair rent increases to 835 facilities which have documented fair rent additions placed in service in 836 the cost report year ending September 30, 2019, that are not otherwise 837 included in rates issued. For the fiscal year ending June 30, 2022, the 838 commissioner may, in the commissioner's discretion and within 839 available appropriations, provide pro rata fair rent increases to facilities 840 that have documented fair rent additions placed in service in the cost 841 report year ending September 30, 2020, that are not otherwise included 842 in rates issued. For the fiscal year ending June 30, 2023, the 843 commissioner may, in the commissioner's discretion and within

844 available appropriations, provide pro rata fair rent increases to facilities which have documented fair rent additions placed in service in the cost 845 846 report year ending September 30, 2021, that are not otherwise included 847 in rates issued. For the fiscal years ending June 30, 2022, and June 30, 848 2023, a facility may receive a rate increase for a capital improvement 849 approved by the Department of Social Services, for the health or safety 850 of the residents during the fiscal year ending June 30, 2022, or June 30, 851 2023, only to the extent such rate increases are within available 852 appropriations. For the fiscal year ending June 30, 2022, and June 30, 853 2023, rates shall be based upon rates in effect for the fiscal year ending 854 June 30, 2021, inflated by the gross domestic product deflator applicable 855 to each rate year, except the commissioner may, in the commissioner's 856 discretion and within available appropriations, provide pro rata fair 857 rent increases to facilities which have documented fair rent additions 858 placed in service in the cost report years ending September 30, 2020, and 859 September 30, 2021, that are not otherwise included in rates issued. For 860 the fiscal years ending June 30, 2024, and June 30, 2025, a facility may 861 receive a rate increase for a capital improvement approved by the 862 Department of Social Services, for the health or safety of the residents 863 during the fiscal year ending June 30, 2024, or June 30, 2025, only to the 864 extent such rate increases are within available appropriations. For the 865 fiscal year ending June 30, 2024, the department shall determine facility 866 rates based upon 2022 cost report filings subject to the provisions of this 867 section, adjusted to reflect any rate increases provided after the cost 868 report year ending September 30, 2022. There shall be no increase to 869 rates based on any inflationary factor for the fiscal year ending June 30, 870 2024. For the fiscal years ending June 30, 2026, and June 30, 2027, a 871 facility may receive a rate increase for a capital improvement approved 872 by the Department of Social Services, for the health or safety of the 873 residents during the fiscal year ending June 30, 2026, or June 30, 2027, 874 only to the extent such rate increases are within available appropriations. For the fiscal year ending June 30, 2026, the department 875 876 shall determine facility rates based upon 2024 cost report filings subject 877 to the provisions of this section, adjusted to reflect any rate increases

878 provided after the cost report year ending September 30, 2024. For the fiscal year ending June 30, 2027, the department shall determine facility 879 rates based upon 2025 cost report filings subject to the provisions of this 880 section, adjusted to reflect any rate increases provided after the cost 881 882 report year ending September 30, 2025. There shall be no increase to 883 rates based on any inflationary factor for the fiscal years ending June 30, 884 2026, and June 30, 2027. Notwithstanding any other provisions of this 885 chapter, any subsequent increase to allowable operating costs, 886 excluding fair rent, shall be inflated by the gross domestic product 887 deflator when funding is specifically appropriated for such purposes in 888 the enacted budget. The rate of inflation shall be computed by 889 comparing the most recent rate year to the average of the gross domestic 890 product deflator for the previous four fiscal quarters ending March 891 thirty-first. Any increase to rates based on inflation shall be applied 892 prior to the application of any other budget adjustment factors that may 893 impact such rates. The commissioner shall determine whether and to 894 what extent a change in ownership of a facility shall occasion the 895 rebasing of the facility's costs. There shall be no inflation adjustment 896 during a year in which a facility's rates are rebased. For the fiscal year 897 ending June 30, 2024, the commissioner may, in the commissioner's 898 discretion and within available appropriations, provide pro rata fair 899 rent increases to facilities that have documented fair rent additions 900 placed in service in the cost report year ending September 30, 2022, that 901 are not otherwise included in rates issued. For the fiscal year ending 902 June 30, 2025, the commissioner may, in the commissioner's discretion 903 and within available appropriations, provide pro rata fair rent increases 904 to facilities that have documented fair rent additions placed in service 905 in the cost report year ending September 30, 2023, that are not otherwise 906 included in rates issued. For the fiscal year ending June 30, 2026, the 907 commissioner may, in the commissioner's discretion and within 908 available appropriations, provide pro rata fair rent increases to facilities 909 that have documented fair rent additions placed in service in the cost 910 report year ending September 30, 2024, that are not otherwise included 911 in rates issued. For the fiscal year ending June 30, 2027, the

912 commissioner may, in the commissioner's discretion and within 913 available appropriations, provide pro rata fair rent increases to facilities 914 that have documented fair rent additions placed in service in the cost 915 report year ending September 30, 2025, that are not otherwise included

916 <u>in rates issued.</u>

917 Sec. 11. Subdivision (9) of subsection (a) of section 17b-340d of the 918 general statutes is repealed and the following is substituted in lieu 919 thereof (*Effective July 1, 2025*):

(9) On and after July 1, 2025, costs shall be rebased no more frequently
than every two years and no less frequently than every four years, as
determined by the commissioner. There shall be no inflation adjustment
during a year in which a facility's rates are rebased. The commissioner
shall determine whether and to what extent a change in ownership of a
facility shall occasion the rebasing of the facility's costs. There shall be
no rebasing for the fiscal years ending June 30, 2026, and June 30, 2027.

927 Sec. 12. Subdivision (11) of subsection (a) of section 17b-340d of the
928 general statutes is repealed and the following is substituted in lieu
929 thereof (*Effective July 1, 2025*):

930 (11) There shall be no increase to rates based on inflation or any 931 inflationary factor for the fiscal years ending June 30, 2022, and June 30, 932 2023, unless otherwise authorized under subdivision (1) of this 933 subsection. Notwithstanding section 17-311-52 of the regulations of 934 Connecticut state agencies, for the fiscal years ending June 30, 2024, 935 [and] June 30, 2025, June 30, 2026, and June 30, 2027, there shall be no 936 inflationary increases to rates beyond those already factored into the 937 model for the transition to an acuity-based reimbursement system. 938 Notwithstanding any other provisions of this chapter, any subsequent 939 increase to allowable operating costs, excluding fair rent, shall be 940 inflated by the gross domestic product deflator when funding is 941 specifically appropriated for such purposes in the enacted budget. The 942 rate of inflation shall be computed by comparing the most recent rate

943 year to the average of the gross domestic product deflator for the
944 previous four fiscal quarters ending March thirty-first. Any increase to
945 rates based on inflation shall be applied prior to the application of any
946 other budget adjustment factors that may impact such rates.

947 Sec. 13. Subsection (i) of section 17b-342 of the general statutes is
948 repealed and the following is substituted in lieu thereof (*Effective July 1*,
949 2025):

950 (i) (1) The Commissioner of Social Services shall, within available 951 appropriations, administer a state-funded portion of the Connecticut 952 home-care program for the elderly for persons (A) who are sixty-five 953 years of age and older and are not eligible for Medicaid; (B) who are 954 inappropriately institutionalized or at risk of inappropriate 955 institutionalization; (C) whose income is less than or equal to the 956 amount allowed for a person who would be eligible for medical 957 assistance if residing in a nursing facility; and (D) whose assets, if single, 958 do not exceed one hundred fifty per cent of the federal minimum 959 community spouse protected amount pursuant to 42 USC 1396r-5(f)(2)960 or, if married, the couple's assets do not exceed two hundred per cent of 961 said community spouse protected amount. For program applications 962 received by the Department of Social Services for the fiscal years ending June 30, 2016, and June 30, 2017, only persons who require the level of 963 964 care provided in a nursing home shall be eligible for the state-funded 965 portion of the program, except for persons residing in affordable 966 housing under the assisted living demonstration project established 967 pursuant to section 17b-347e who are otherwise eligible in accordance 968 with this section.

969 (2) Except for persons residing in affordable housing under the
970 assisted living demonstration project established pursuant to section
971 17b-347e, as provided in subdivision (3) of this subsection, any person
972 whose income is at or below two hundred per cent of the federal poverty
973 level and who is ineligible for Medicaid shall contribute [three] five per
974 cent of the cost of his or her care not to exceed a cap of one hundred

975 seventy-five dollars per month for the fiscal year ending June 30, 2026. 976 On July 1, 2026, and annually thereafter, said cap shall be indexed annually based on the percentage increase in the most recent calendar 977 978 year average in the consumer price index for urban consumers over the 979 average for the previous calendar year. Any person whose income 980 exceeds two hundred per cent of the federal poverty level shall 981 contribute [three] five per cent of the cost of his or her care not to exceed 982 said cap in addition to the amount of applied income determined in 983 accordance with the methodology established by the Department of 984 Social Services for recipients of medical assistance. Any person who 985 does not contribute to the cost of care in accordance with this 986 subdivision shall be ineligible to receive services under this subsection. 987 Notwithstanding any provision of sections 17b-60 and 17b-61, the department shall not be required to provide an administrative hearing 988 989 to a person found ineligible for services under this subsection because 990 of a failure to contribute to the cost of care.

991 (3) Any person who resides in affordable housing under the assisted 992 living demonstration project established pursuant to section 17b-347e 993 and whose income is at or below two hundred per cent of the federal 994 poverty level, shall not be required to contribute to the cost of care. Any 995 person who resides in affordable housing under the assisted living 996 demonstration project established pursuant to section 17b-347e and 997 whose income exceeds two hundred per cent of the federal poverty 998 level, shall contribute to the applied income amount determined in 999 accordance with the methodology established by the Department of 1000 Social Services for recipients of medical assistance. Any person whose 1001 income exceeds two hundred per cent of the federal poverty level and 1002 who does not contribute to the cost of care in accordance with this 1003 subdivision shall be ineligible to receive services under this subsection. 1004 Notwithstanding any provision of sections 17b-60 and 17b-61, the 1005 department shall not be required to provide an administrative hearing 1006 to a person found ineligible for services under this subsection because 1007 of a failure to contribute to the cost of care.

1008 (4) The annualized cost of services provided to an individual under 1009 the state-funded portion of the program shall not exceed fifty per cent 1010 of the weighted average cost of care in nursing homes in the state, except 1011 an individual who received services costing in excess of such amount 1012 under the Department of Social Services in the fiscal year ending June 1013 30, 1992, may continue to receive such services, provided the annualized 1014 cost of such services does not exceed eighty per cent of the weighted 1015 average cost of such nursing home care. The commissioner may allow 1016 the cost of services provided to an individual to exceed the maximum 1017 cost established pursuant to this subdivision in a case of extreme 1018 hardship, as determined by the commissioner, provided in no case shall 1019 such cost exceed that of the weighted cost of such nursing home care.

Sec. 14. Section 17b-597 of the general statutes, as amended by section
64 of public act 24-81, is repealed and the following is substituted in lieu
thereof (*Effective July 1, 2025*):

(a) The Department of Social Services shall establish and implement
a working persons with disabilities program to provide medical
assistance as authorized under 42 USC 1396a(a)(10)(A)(ii), as amended
from time to time, to persons who are disabled and regularly employed.

1027 (b) The Commissioner of Social Services shall amend the Medicaid 1028 state plan to allow persons specified in subsection (a) of this section to 1029 qualify for medical assistance. The amendment shall include the 1030 following requirements: (1) That the person be engaged in a substantial 1031 and reasonable work effort as determined by the commissioner and as 1032 permitted by federal law and have an annual adjusted gross income, as 1033 defined in Section 62 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, 1034 as amended from time to time, of not more than eighty-five thousand 1035 1036 dollars per year; (2) a disregard of all countable income up to two 1037 hundred per cent of the federal poverty level; (3) for an unmarried 1038 person, an asset limit of twenty thousand dollars, and for a married 1039 couple, an asset limit of thirty thousand dollars; (4) a disregard of any

1040 retirement and medical savings accounts established pursuant to 26 1041 USC 220 and held by either the person or the person's spouse; (5) a 1042 disregard of any moneys in accounts designated by the person or the 1043 person's spouse for the purpose of purchasing goods or services that 1044 will increase the employability of such person, subject to approval by 1045 the commissioner; (6) a disregard of spousal income solely for purposes 1046 of determination of eligibility; and (7) a contribution of any countable 1047 income of the person or the person's spouse which exceeds two hundred 1048 per cent of the federal poverty level, as adjusted for the appropriate 1049 family size, equal to ten per cent of the excess minus any premiums paid 1050 from income for health insurance by any family member, but which 1051 does not exceed the maximum contribution allowable under Section 1052 201(a)(3) of Public Law 106-170, as amended from time to time.

1053 [(c) Notwithstanding the provisions of subsection (b) of this section, 1054 on and after July 1, 2026, the commissioner shall phase in the elimination 1055 of income and asset limits for a participant in the program over four 1056 fiscal years by annually increasing (1) the income limit prescribed in 1057 subdivision (1) of subsection (b) of this section by ten thousand dollars, 1058 and (2) the asset limit prescribed in subdivision (3) of subsection (b) of 1059 this section by ten thousand dollars for an unmarried person and fifteen 1060 thousand dollars for a married couple. On and after July 1, 2029, there 1061 shall be no income or asset limit for eligibility for the program.]

1062 [(d)] (c) The Commissioner of Social Services shall implement the 1063 policies and procedures necessary to carry out the provisions of this 1064 section while in the process of adopting such policies and procedures in 1065 regulation form, provided notice of intent to adopt the regulations is 1066 posted on the eRegulations System in accordance with section 17b-10. 1067 The commissioner shall define "countable income" for purposes of 1068 subsection (b) of this section which shall take into account impairment-1069 related work expenses as defined in the Social Security Act. Such 1070 policies and procedures shall be valid until the time final regulations are effective. 1071

1072 Sec. 15. Section 19a-634 of the general statutes is repealed and the 1073 following is substituted in lieu thereof (*Effective July 1, 2025*):

1074 (a) [The] On or before June 30, 2029, and every five years thereafter, 1075 the Health Systems Planning Unit shall conduct, [on a biennial basis] 1076 within available appropriations, a state-wide health care facility 1077 utilization study. Such study may include an assessment of: (1) Current availability and utilization of acute hospital care, hospital emergency 1078 1079 care, specialty hospital care, outpatient surgical care, primary care and 1080 clinic care; (2) geographic areas and subpopulations that may be 1081 underserved or have reduced access to specific types of health care 1082 services; and (3) other factors that the unit deems pertinent to health care 1083 facility utilization. Not later than June thirtieth of the year in which the 1084 [biennial] guinguennial study is conducted, the Commissioner of 1085 Health Strategy shall report, in accordance with section 11-4a, to the Governor and the joint standing committees of the General Assembly 1086 1087 having cognizance of matters relating to public health and human 1088 services on the findings of the study. Such report may also include the 1089 unit's recommendations for addressing identified gaps in the provision 1090 of health care services and recommendations concerning a lack of access 1091 to health care services.

1092 (b) The unit, in consultation with such other state agencies as the 1093 commissioner deems appropriate, shall establish and maintain a state-1094 wide health care facilities and services plan. Such plan may include, but 1095 not be limited to: (1) An assessment of the availability of acute hospital 1096 care, hospital emergency care, specialty hospital care, outpatient 1097 surgical care, primary care and clinic care; (2) an evaluation of the unmet 1098 needs of persons at risk and vulnerable populations as determined by 1099 the commissioner; (3) a projection of future demand for health care 1100 services and the impact that technology may have on the demand, 1101 capacity or need for such services; and (4) recommendations for the 1102 expansion, reduction or modification of health care facilities or services. 1103 In the development of the plan, the unit shall consider the 1104 recommendations of any advisory bodies which may be established by

1105 the commissioner. The commissioner may also incorporate the 1106 recommendations of authoritative organizations whose mission is to 1107 promote policies based on best practices or evidence-based research. 1108 The commissioner, in consultation with hospital representatives, shall 1109 develop a process that encourages hospitals to incorporate the state-1110 wide health care facilities and services plan into hospital long-range 1111 planning and shall facilitate communication between appropriate state 1112 agencies concerning innovations or changes that may affect future 1113 health planning. The unit shall update the state-wide health care 1114 facilities and services plan not less than once every [two] five years.

1115 (c) For purposes of conducting the state-wide health care facility 1116 utilization study and preparing the state-wide health care facilities and 1117 services plan, the unit shall establish and maintain an inventory of all 1118 health care facilities, the equipment identified in subdivisions (9) and 1119 (10) of subsection (a) of section 19a-638, and services in the state, 1120 including health care facilities that are exempt from certificate of need 1121 requirements under subsection (b) of section 19a-638. The unit shall 1122 develop an inventory questionnaire to obtain the following information: 1123 (1) The name and location of the facility; (2) the type of facility; (3) the 1124 hours of operation; (4) the type of services provided at that location; and 1125 (5) the total number of clients, treatments, patient visits, procedures 1126 performed or scans performed in a calendar year. The inventory shall 1127 be completed [biennially] every five years by health care facilities and providers and such health care facilities and providers shall not be 1128 1129 required to provide patient specific or financial data.

Sec. 16. Subsection (a) of section 38a-1060 of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective July 1*,
2025):

(a) There is established an Office of the Behavioral Health Advocate
which shall be within the [Insurance Department for administrative
purposes only] <u>Office of the Healthcare Advocate</u>.

1136 Sec. 17. Section 38a-1061 of the general statutes is repealed and the 1137 following is substituted in lieu thereof (*Effective July 1, 2025*):

1138 (a) [The Office of the Behavioral Health Advocate shall be under the 1139 direction of the Behavioral Health Advocate who shall be appointed by 1140 the Governor, with the approval of the General Assembly.] The 1141 Behavioral Health Advocate shall be an elector of the state with 1142 expertise and experience in the fields of mental or behavioral health 1143 care, health insurance and advocacy for parity in mental and behavioral 1144 health access and outcomes. [In addition to the Behavioral Health 1145 Advocate, the Office of the Behavioral Health Advocate shall consist of 1146 sufficient staff as the requirements and resources of the office permit, of 1147 whom at least one shall be an attorney and at least one shall be a patient 1148 care navigator.]

1149 (b) The Governor shall make the initial appointment of the Behavioral 1150 Health Advocate from a list of candidates prepared and submitted, not 1151 later than February 1, 2024, to the Governor by the advisory committee 1152 established pursuant to section 38a-1062. The Governor shall notify the 1153 advisory committee of the pending expiration of the term of an 1154 incumbent Behavioral Health Advocate not less than ninety days prior 1155 to the final day of the Behavioral Health Advocate's term in office. If a 1156 vacancy occurs in the position of Behavioral Health Advocate, the Governor shall notify the advisory committee immediately of the 1157 1158 vacancy. The advisory committee shall meet to consider qualified 1159 candidates for the position of Behavioral Health Advocate and shall 1160 submit a list of not more than five candidates to the Governor ranked in 1161 order of preference, not more than sixty days after receiving notice from 1162 the Governor of the pending expiration of the Behavioral Health 1163 Advocate's term or the occurrence of a vacancy. The Governor shall 1164 designate, not more than sixty days after receipt of the list of candidates 1165 from the advisory committee, one candidate from the list for the position 1166 of Behavioral Health Advocate. If, after the list is submitted to the 1167 Governor by the advisory committee, any candidate withdraws from 1168 consideration, the Governor shall designate a candidate from those

1169 remaining on the list. If the Governor fails to designate a candidate 1170 within sixty days of receipt of the list from the advisory committee, the 1171 advisory committee shall refer the candidate with the highest ranking 1172 on the list to the General Assembly for confirmation. If the General 1173 Assembly is not in session at the time of the [Governor's or] advisory 1174 committee's designation of a candidate, the candidate shall serve as the 1175 acting Behavioral Health Advocate until the General Assembly meets 1176 and confirms the candidate as Behavioral Health Advocate. A candidate 1177 serving as acting Behavioral Health Advocate is entitled to 1178 compensation and has all the powers, duties and privileges of the 1179 Behavioral Health Advocate. A Behavioral Health Advocate shall serve 1180 a term of four years, not including any time served as acting Behavioral 1181 Health Advocate, and may be reappointed by the Governor or shall remain in the position until a successor is confirmed. Although an 1182 1183 incumbent Behavioral Health Advocate may be reappointed, the 1184 Governor shall also consider additional candidates from a list submitted 1185 by the advisory committee as provided in this section.

1186 [(c) Upon a vacancy in the position of the Behavioral Health 1187 Advocate, the most senior attorney in the Office of the Behavioral 1188 Health Advocate shall serve as the acting Behavioral Health Advocate 1189 until the vacancy is filled pursuant to subsection (a) or (b) of this section. 1190 The acting Behavioral Health Advocate has all the powers, duties and 1191 privileges of the Behavioral Health Advocate.]

Sec. 18. Subdivision (3) of subsection (d) of section 4-28f of the general
statutes is repealed and the following is substituted in lieu thereof
(*Effective July 1, 2025*):

(3) After such recommendations for the authorization of disbursement have been approved or modified pursuant to subdivision
(2) of this subsection, any modification in the amount of an authorized disbursement in excess of [fifty] <u>one hundred seventy-five</u> thousand dollars [or ten per cent of the authorized amount, whichever is less,]
shall be submitted to said joint standing committees and approved,

1201 modified or rejected in accordance with the procedure set forth in 1202 subdivision (2) of this subsection. Notification of all disbursements from 1203 the trust fund made pursuant to this section shall be sent to the joint 1204 standing committees of the General Assembly having cognizance of 1205 matters relating to public health and appropriations and the budgets of 1206 state agencies, through the Office of Fiscal Analysis.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2025	14-11b
Sec. 2	July 1, 2025	17b-104(b)
Sec. 3	July 1, 2025	17b-106(a)
Sec. 4	July 1, 2025	17b-112g(a)
Sec. 5	July 1, 2025	17b-191
Sec. 6	July 1, 2025	17b-278 <i>l</i>
Sec. 7	July 1, 2025	17b-244(a)
Sec. 8	July 1, 2025	New section
Sec. 9	July 1, 2025	17b-340(h)(1)
Sec. 10	July 1, 2025	17b-340(i)
Sec. 11	July 1, 2025	17b-340d(a)(9)
Sec. 12	July 1, 2025	17b-340d(a)(11)
Sec. 13	July 1, 2025	17b-342(i)
Sec. 14	July 1, 2025	17b-597
Sec. 15	July 1, 2025	19a-634
Sec. 16	July 1, 2025	38a-1060(a)
Sec. 17	July 1, 2025	38a-1061
Sec. 18	July 1, 2025	4-28f(d)(3)

Statement of Purpose:

To implement the Governor's budget recommendations regarding health and human services.

[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.]