



General Assembly

February Session, 2026

**Substitute Bill No. 288**



**AN ACT CONCERNING THE DEPARTMENT OF SOCIAL SERVICES' RECOMMENDATIONS REGARDING EXCEPTIONS TO THE NURSING HOME BED MORATORIUM, NURSING HOME RESIDENT DATA AND NURSING HOME REIMBURSEMENT RATE CAPS FOR RELATED PARTY EMPLOYEES.**

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

1 Section 1. Subsection (a) of section 17b-354 of the 2026 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective from passage*):

4 (a) The Department of Social Services shall not accept or approve any  
5 requests for additional nursing home beds, except (1) beds restricted to  
6 use by patients with acquired immune deficiency syndrome or by  
7 patients requiring neurological rehabilitation; (2) beds associated with a  
8 continuing care facility, as described in section 17b-520, provided such  
9 beds are not used in the Medicaid program; [. For the purpose of this  
10 subsection, beds associated with a continuing care facility are not subject  
11 to the certificate of need provisions pursuant to sections 17b-352 and  
12 17b-353;] (3) Medicaid certified beds either to be relocated from one  
13 licensed nursing facility to another licensed nursing facility to meet a  
14 priority need identified in the strategic plan developed pursuant to  
15 subsection (c) of section 17b-369 or new beds added to an existing  
16 facility or a new facility with preference given to a nontraditional, small-  
17 house-style nursing home facility that incorporates the goals for nursing

18 facilities referenced in the department's strategic plan for long-term  
19 care, as described in section 17b-355, as amended by this act, to address  
20 priority needs reflected by area census trends; (4) licensed Medicaid  
21 nursing facility beds to be relocated from one or more existing nursing  
22 facilities to a new nursing facility, including a replacement facility,  
23 provided (A) no new Medicaid certified beds are added, (B) at least one  
24 currently licensed facility is closed in the transaction as a result of the  
25 relocation, (C) the relocation is done within available appropriations,  
26 (D) the facility participates in the Money Follows the Person  
27 demonstration project pursuant to section 17b-369, (E) the availability of  
28 beds in the area of need will not be adversely affected, (F) the certificate  
29 of need approval for such new facility or facility relocation and the  
30 associated capital expenditures are obtained pursuant to sections 17b-  
31 352 and 17b-353, and (G) the facilities included in the bed relocation and  
32 closure shall be in accordance with the strategic plan developed  
33 pursuant to subsection (c) of section 17b-369; and (5) proposals to build  
34 a nontraditional, small-house style nursing home designed to enhance  
35 the quality of life for nursing facility residents, provided that the  
36 nursing facility agrees to reduce its total number of licensed beds by a  
37 percentage determined by the Commissioner of Social Services in  
38 accordance with the department's strategic plan for long-term care. For  
39 the purposes of this subsection, beds associated with a continuing care  
40 facility are not subject to the certificate of need provisions pursuant to  
41 sections 17b-352 and 17b-353.

42 Sec. 2. Section 17b-355 of the general statutes is repealed and the  
43 following is substituted in lieu thereof (*Effective from passage*):

44 (a) In determining whether a request submitted pursuant to sections  
45 17b-352 to 17b-354, inclusive, as amended by this act, will be granted,  
46 modified or denied, the Commissioner of Social Services shall consider  
47 the following: (1) The financial feasibility of the request and its impact  
48 on the applicant's rates and financial condition, (2) the contribution of  
49 the request to the quality, accessibility and cost-effectiveness of the  
50 delivery of long-term care in the region, including consideration of the  
51 nursing home's star rating on the five-star quality rating system for

52 nursing homes published by the Centers for Medicare and Medicaid  
53 Services, (3) whether there is clear public need for the request, (4) the  
54 relationship of any proposed change to the applicant's current  
55 utilization statistics and the effect of the proposal on the utilization  
56 statistics of other facilities in the applicant's service area, (5) the business  
57 interests of all owners, partners, associates, incorporators, directors,  
58 sponsors, stockholders and operators and the personal background of  
59 such persons, and (6) any other factor which the Department of Social  
60 Services deems relevant. In considering whether there is clear public  
61 need for any request for the relocation of beds to a replacement facility,  
62 or for new beds added to an existing facility or a new facility, the  
63 commissioner shall consider whether there is a demonstrated bed need  
64 in the towns within a fifteen-mile radius of the town in which the beds  
65 are proposed to be located and whether the availability of beds in the  
66 applicant's service area will be adversely affected.

67 (b) Any proposal to relocate nursing home beds from an existing  
68 facility to a new facility shall not increase the number of Medicaid  
69 certified beds and shall result in the closure of at least one currently  
70 licensed facility. The commissioner may request that any applicant  
71 seeking to replace an existing facility reduce the number of beds in the  
72 new facility by a percentage that is consistent with the department's  
73 strategic state-wide long-term rebalancing plan for long-term care. If an  
74 applicant seeking to replace an existing facility with a new facility owns  
75 or operates more than one nursing facility, the commissioner may  
76 request that the applicant close two or more facilities before approving  
77 the proposal to build a new facility. The commissioner shall also  
78 consider whether an application to establish a new or replacement  
79 nursing facility proposes a nontraditional, small-house style nursing  
80 facility and incorporates goals for nursing facilities referenced in the  
81 department's strategic state-wide long-term rebalancing plan for long-  
82 term care, including, but not limited to, (1) promoting person-centered  
83 care, (2) providing enhanced quality of care, (3) creating community  
84 space for all nursing facility residents, and (4) developing stronger  
85 connections between the nursing facility residents and the surrounding

86 community. [Bed]

87 (c) Demonstrated bed need shall be based on the recent occupancy  
88 percentage of area nursing facilities [and the] with occupancy above  
89 ninety-six per cent for a minimum of two consecutive quarters. The  
90 department may consider projected bed need [for no more than five  
91 years] into the future at [ninety-seven and one-half per cent] occupancy  
92 above ninety-six per cent using the latest [official population projections  
93 by town and age as published by the Office of Policy and Management  
94 and the latest available state-wide nursing facility utilization statistics  
95 by age cohort from the Department of Public Health] strategic state-  
96 wide long-term rebalancing plan for long-term care as published by the  
97 department. The commissioner may also consider area specific  
98 utilization and reductions in utilization rates to account for the  
99 increased use of less institutional alternatives.

100 Sec. 3. Section 17b-99a of the 2026 supplement to the general statutes  
101 is repealed and the following is substituted in lieu thereof (*Effective July*  
102 *1, 2026*):

103 (a) (1) For purposes of this section, (A) "extrapolation" means the  
104 determination of an unknown value by projecting the results of the  
105 review of a sample to the universe from which the sample was drawn,  
106 (B) "facility" means any facility described in this subsection and for  
107 which rates are established pursuant to section 17b-340, as amended by  
108 this act, (C) "minimum data set" means the federal resident assessment  
109 tool required by the Centers for Medicare and Medicaid Services, and  
110 [(C)] (D) "universe" means a defined population of claims submitted by  
111 a facility during a specific time period.

112 (2) The Commissioner of Social Services shall conduct any audit of a  
113 licensed chronic and convalescent nursing home, chronic disease  
114 hospital associated with a chronic and convalescent nursing home, a rest  
115 home with nursing supervision, a licensed residential care home, as  
116 defined in section 19a-490, and a residential facility for persons with  
117 intellectual disability which is licensed pursuant to section 17a-227 and

118 certified to participate in the Medicaid program as an intermediate care  
119 facility for individuals with intellectual disabilities in accordance with  
120 the provisions of this section.

121 (b) Not less than thirty days prior to the commencement of any such  
122 audit, the commissioner shall provide written notification of the audit  
123 to such facility, unless the commissioner makes a good-faith  
124 determination that (1) the health or safety of a recipient of services is at  
125 risk; or (2) the facility is engaging in vendor fraud under sections 53a-  
126 290 to 53a-296, inclusive.

127 (c) Any clerical error, including, but not limited to, recordkeeping,  
128 typographical, scrivener's or computer error, discovered in a record or  
129 document produced for any such audit, shall not of itself constitute a  
130 wilful violation of the rules of a medical assistance program  
131 administered by the Department of Social Services unless proof of intent  
132 to commit fraud or otherwise violate program rules is established. In  
133 determining which facilities shall be subject to audits, the Commissioner  
134 of Social Services may give consideration to the history of a facility's  
135 compliance in addition to other criteria used to select a facility for an  
136 audit.

137 (d) A finding of overpayment or underpayment to such facility shall  
138 not be based on extrapolation unless (1) there is a determination of  
139 sustained or high level of payment error involving the facility, (2)  
140 documented educational intervention has failed to correct the level of  
141 payment error, or (3) the value of the claims in aggregate exceeds two  
142 hundred thousand dollars on an annual basis.

143 (e) A facility, in complying with the requirements of any such audit,  
144 shall be allowed not less than thirty days to provide documentation in  
145 connection with any discrepancy discovered and brought to the  
146 attention of such facility in the course of any such audit.

147 (f) The commissioner shall produce a preliminary written report  
148 concerning any audit conducted pursuant to this section and such  
149 preliminary report shall be provided to the facility that was the subject

150 of the audit not later than sixty days after the conclusion of such audit.

151 (g) The commissioner shall, following the issuance of the preliminary  
152 report pursuant to subsection (f) of this section, hold an exit conference  
153 with any facility that was the subject of any audit pursuant to this  
154 subsection for the purpose of discussing the preliminary report. Such  
155 facility may present evidence at such exit conference refuting findings  
156 in the preliminary report.

157 (h) The commissioner shall produce a final written report concerning  
158 any audit conducted pursuant to this subsection. Such final written  
159 report shall be provided to the facility that was the subject of the audit  
160 not later than sixty days after the date of the exit conference conducted  
161 pursuant to subsection (g) of this section, unless the commissioner and  
162 the facility agree to a later date or there are other referrals or  
163 investigations pending concerning the facility.

164 (i) Any facility aggrieved by a final report issued pursuant to  
165 subsection (h) of this section may request a rehearing. A rehearing shall  
166 be held by the commissioner or the commissioner's designee, provided  
167 a detailed written description of all items of grievance in the final  
168 report is filed by the facility not later than ninety days following the date  
169 of written notice of the commissioner's decision. The rehearing shall be  
170 held not later than thirty days following the date of filing of the detailed  
171 written description of each specific item of grievance. The  
172 commissioner shall issue a final decision not later than sixty days  
173 following the close of evidence or the date on which final briefs are filed,  
174 whichever occurs later. Any items not resolved at such rehearing to the  
175 satisfaction of the facility or the commissioner shall be submitted to  
176 binding arbitration by an arbitration board consisting of one member  
177 appointed by the facility, one member appointed by the commissioner  
178 and one member appointed by the Chief Court Administrator from  
179 among the retired judges of the Superior Court, which retired judge  
180 shall be compensated for his services on such board in the same manner  
181 as a state referee is compensated for his services under section 52-434.  
182 The proceedings of the arbitration board and any decisions rendered by

183 such board shall be conducted in accordance with the provisions of the  
184 Social Security Act, 42 USC 1396, as amended from time to time, and  
185 chapter 54.

186 (j) The commissioner shall conduct audits of minimum data set  
187 information used in the calculation of Medicaid acuity-based per diem  
188 rates paid to licensed nursing homes. The commissioner shall conduct  
189 an audit of minimum data set information in accordance with the  
190 provisions of this section, except a nursing home shall provide all  
191 documentation requested by the commissioner pursuant to the  
192 minimum data set audit not later than ten days after the date on which  
193 the commissioner requests such documentation. The commissioner  
194 shall not accept any documentation submitted by a nursing home after  
195 the completion of the exit conference portion of the audit unless the  
196 commissioner and the nursing home agree to such submission of  
197 documentation.

198 [(j)] (k) The submission of any false or misleading [fiscal] information  
199 or data to the commissioner shall be grounds for suspension of  
200 payments by the state under sections 17b-239 to 17b-246, inclusive, and  
201 sections 17b-340, as amended by this act, and 17b-343, in accordance  
202 with regulations adopted by the commissioner. In addition, any person,  
203 including any corporation, who knowingly makes or causes to be made  
204 any false or misleading statement or who knowingly submits false or  
205 misleading fiscal information or data on the forms approved by the  
206 commissioner shall be guilty of a class D felony.

207 [(k)] (l) The commissioner, or any agent authorized by the  
208 commissioner to conduct any inquiry, investigation or hearing under  
209 the provisions of this section, shall have power to administer oaths and  
210 take testimony under oath relative to the matter of inquiry or  
211 investigation. At any hearing ordered by the commissioner, the  
212 commissioner or such agent having authority by law to issue such  
213 process may subpoena witnesses and require the production of records,  
214 papers and documents pertinent to such inquiry. If any person disobeys  
215 such process or, having appeared in obedience thereto, refuses to

216 answer any pertinent question put to the person by the commissioner or  
217 the commissioner's authorized agent or to produce any records and  
218 papers pursuant thereto, the commissioner or the commissioner's agent  
219 may apply to the superior court for the judicial district of Hartford or  
220 for the judicial district wherein the person resides or wherein the  
221 business has been conducted, or to any judge of such court if the same  
222 is not in session, setting forth such disobedience to process or refusal to  
223 answer, and such court or judge shall cite such person to appear before  
224 such court or judge to answer such question or to produce such records  
225 and papers.

226 [(l)] (m) The commissioner shall provide free training to facilities on  
227 the preparation of cost reports to avoid clerical errors and shall post  
228 information on the department's Internet web site concerning the  
229 auditing process and methods to avoid clerical errors. Not later than  
230 April 1, 2015, the commissioner shall establish audit protocols to assist  
231 facilities subject to audit pursuant to this section in developing  
232 programs to improve compliance with Medicaid requirements under  
233 state and federal laws and regulations, provided audit protocols may  
234 not be relied upon to create a substantive or procedural right or benefit  
235 enforceable at law or in equity by any person, including a corporation.  
236 The commissioner shall establish and publish on the department's  
237 Internet web site audit protocols for: (1) Licensed chronic and  
238 convalescent nursing homes, (2) chronic disease hospitals associated  
239 with chronic and convalescent nursing homes, (3) rest homes with  
240 nursing supervision, (4) licensed residential care homes, as defined in  
241 section 19a-490, and (5) residential facilities for persons with intellectual  
242 disability that are licensed pursuant to section 17a-227 and certified to  
243 participate in the Medicaid program as intermediate care facilities for  
244 individuals with intellectual disabilities. The commissioner shall ensure  
245 that the Department of Social Services, or any entity with which the  
246 commissioner contracts to conduct an audit pursuant to this section, has  
247 on staff or consults with, as needed, licensed health professionals with  
248 experience in treatment, billing and coding procedures used by the  
249 facilities being audited pursuant to this section.

250 Sec. 4. Subsection (a) of section 17b-340 of the 2026 supplement to the  
251 general statutes is repealed and the following is substituted in lieu  
252 thereof (*Effective July 1, 2026*):

253 (a) For purposes of this subsection, (1) a "related party" includes, but  
254 is not limited to, any company related to a chronic and convalescent  
255 nursing home through family association, common ownership, control  
256 or business association with any of the owners, operators or officials of  
257 such nursing home; (2) "company" means any person, partnership,  
258 association, holding company, limited liability company or corporation;  
259 (3) "family association" means a relationship by birth, marriage or  
260 domestic partnership; and (4) "profit and loss statement" means the  
261 most recent annual statement on profits and losses finalized by a related  
262 party before the annual report mandated under this subsection. The  
263 rates to be paid by or for persons aided or cared for by the state or any  
264 town in this state to licensed chronic and convalescent nursing homes,  
265 to chronic disease hospitals associated with chronic and convalescent  
266 nursing homes, to rest homes with nursing supervision, to licensed  
267 residential care homes, as defined by section 19a-490, and to residential  
268 facilities for persons with intellectual disability that are licensed  
269 pursuant to section 17a-227 and certified to participate in the Title XIX  
270 Medicaid program as intermediate care facilities for individuals with  
271 intellectual disabilities, for room, board and services specified in  
272 licensing regulations issued by the licensing agency shall be determined  
273 annually, except as otherwise provided in this subsection by the  
274 Commissioner of Social Services, to be effective July first of each year  
275 except as otherwise provided in this subsection. Such rates shall be  
276 determined on a basis of a reasonable payment for such necessary  
277 services, which basis shall take into account as a factor the costs of such  
278 services. Cost of such services shall include reasonable costs mandated  
279 by collective bargaining agreements with certified collective bargaining  
280 agents or other agreements between the employer and employees,  
281 provided "employees" shall not include persons who are a related party  
282 or employed as managers or chief administrators or required to be  
283 licensed as nursing home administrators, and compensation for services

284 rendered by proprietors at prevailing wage rates, as determined by  
285 application of principles of accounting as prescribed by said  
286 commissioner. Cost of such services shall not include amounts paid by  
287 the facilities to employees as salary, or to attorneys or consultants as  
288 fees, where the responsibility of the employees, attorneys, or consultants  
289 is to persuade or seek to persuade the other employees of the facility to  
290 support or oppose unionization. Nothing in this subsection shall  
291 prohibit inclusion of amounts paid for legal counsel related to the  
292 negotiation of collective bargaining agreements, the settlement of  
293 grievances or normal administration of labor relations. The  
294 commissioner may, in the commissioner's discretion, allow the inclusion  
295 of extraordinary and unanticipated costs of providing services that were  
296 incurred to avoid an immediate negative impact on the health and safety  
297 of patients. The commissioner may, in the commissioner's discretion,  
298 based upon review of a facility's costs, direct care staff to patient ratio  
299 and any other related information, revise a facility's rate for any  
300 increases or decreases to total licensed capacity of more than ten beds or  
301 changes to its number of licensed rest home with nursing supervision  
302 beds and chronic and convalescent nursing home beds. The  
303 commissioner may, in the commissioner's discretion, revise the rate of a  
304 facility that is closing. An interim rate issued for the period during  
305 which a facility is closing shall be based on a review of facility costs, the  
306 expected duration of the close-down period, the anticipated impact on  
307 Medicaid costs, available appropriations and the relationship of the rate  
308 requested by the facility to the average Medicaid rate for a close-down  
309 period. The commissioner may so revise a facility's rate established for  
310 the fiscal year ending June 30, 1993, and thereafter for any bed increases,  
311 decreases or changes in licensure effective after October 1, 1989.  
312 Effective July 1, 1991, in facilities that have both a chronic and  
313 convalescent nursing home and a rest home with nursing supervision,  
314 the rate for the rest home with nursing supervision shall not exceed such  
315 facility's rate for its chronic and convalescent nursing home. All such  
316 facilities for which rates are determined under this subsection shall  
317 report on a fiscal year basis ending on September thirtieth. Such report  
318 shall be submitted to the commissioner by February fifteenth. Each

319 chronic and convalescent nursing home that receives state funding  
320 pursuant to this section shall include in such annual report a profit and  
321 loss statement from each related party that receives from such chronic  
322 and convalescent nursing home thirty thousand dollars or more per  
323 year for goods, fees and services. No cause of action or liability shall  
324 arise against the state, the Department of Social Services, any state  
325 official or agent for failure to take action based on the information  
326 required to be reported under this subsection. The commissioner may  
327 reduce the rate in effect for a facility that fails to submit a complete and  
328 accurate report on or before February fifteenth by an amount not to  
329 exceed ten per cent of such rate. If a licensed residential care home fails  
330 to submit a complete and accurate report, the department shall notify  
331 such home of the failure and the home shall have thirty days from the  
332 date the notice was issued to submit a complete and accurate report. If  
333 a licensed residential care home fails to submit a complete and accurate  
334 report not later than thirty days after the date of notice, such home may  
335 not receive a retroactive rate increase, in the commissioner's discretion.  
336 The commissioner shall, annually, on or before April first, report the  
337 data contained in the reports of such facilities on the department's  
338 Internet web site. For the cost reporting year commencing October 1,  
339 1985, and for subsequent cost reporting years, facilities shall report the  
340 cost of using the services of any nursing personnel supplied by a  
341 temporary nursing services agency by separating said cost into two  
342 categories, the portion of the cost equal to the salary of the employee for  
343 whom the nursing personnel supplied by a temporary nursing services  
344 agency is substituting shall be considered a nursing cost and any cost in  
345 excess of such salary shall be further divided so that seventy-five per  
346 cent of the excess cost shall be considered an administrative or general  
347 cost and twenty-five per cent of the excess cost shall be considered a  
348 nursing cost, provided if the total costs of a facility for nursing personnel  
349 supplied by a temporary nursing services agency in any cost year are  
350 equal to or exceed fifteen per cent of the total nursing expenditures of  
351 the facility for such cost year, no portion of such costs in excess of fifteen  
352 per cent shall be classified as administrative or general costs. The  
353 commissioner, in determining such rates, shall also take into account the

354 classification of patients or boarders according to special care  
355 requirements or classification of the facility according to such factors as  
356 facilities and services and such other factors as the commissioner deems  
357 reasonable, including anticipated fluctuations in the cost of providing  
358 such services. The commissioner may establish a separate rate for a  
359 facility or a portion of a facility for traumatic brain injury patients who  
360 require extensive care but not acute general hospital care. Such separate  
361 rate shall reflect the special care requirements of such patients. If  
362 changes in federal or state laws, regulations or standards adopted  
363 subsequent to June 30, 1985, result in increased costs or expenditures in  
364 an amount exceeding one-half of one per cent of allowable costs for the  
365 most recent cost reporting year, the commissioner shall adjust rates and  
366 provide payment for any such increased reasonable costs or  
367 expenditures within a reasonable period of time retroactive to the date  
368 of enforcement. Nothing in this section shall be construed to require the  
369 Department of Social Services to adjust rates and provide payment for  
370 any increases in costs resulting from an inspection of a facility by the  
371 Department of Public Health. Such assistance as the commissioner  
372 requires from other state agencies or departments in determining rates  
373 shall be made available to the commissioner at the commissioner's  
374 request. Payment of the rates established pursuant to this section shall  
375 be conditioned on the establishment by such facilities of admissions  
376 procedures that conform with this section, section 19a-533 and all other  
377 applicable provisions of the law and the provision of equality of  
378 treatment to all persons in such facilities. The established rates shall be  
379 the maximum amount chargeable by such facilities for care of such  
380 beneficiaries, and the acceptance by or on behalf of any such facility of  
381 any additional compensation for care of any such beneficiary from any  
382 other person or source shall constitute the offense of aiding a beneficiary  
383 to obtain aid to which the beneficiary is not entitled and shall be  
384 punishable in the same manner as is provided in subsection (b) of  
385 section 17b-97. Notwithstanding any provision of this section, the  
386 Commissioner of Social Services may, within available appropriations,  
387 provide an interim rate increase for a licensed chronic and convalescent  
388 nursing home or a rest home with nursing supervision for rate periods

389 no earlier than April 1, 2004, only if the commissioner determines that  
390 the increase is necessary to avoid the filing of a petition for relief under  
391 Title 11 of the United States Code; imposition of receivership pursuant  
392 to sections 19a-542 and 19a-543; or substantial deterioration of the  
393 facility's financial condition that may be expected to adversely affect  
394 resident care and the continued operation of the facility, and the  
395 commissioner determines that the continued operation of the facility is  
396 in the best interest of the state. The commissioner shall consider any  
397 requests for interim rate increases on file with the department from  
398 March 30, 2004, and those submitted subsequently for rate periods no  
399 earlier than April 1, 2004. When reviewing an interim rate increase  
400 request the commissioner shall, at a minimum, consider: (A) Existing  
401 chronic and convalescent nursing home or rest home with nursing  
402 supervision utilization in the area and projected bed need; (B) physical  
403 plant long-term viability and the ability of the owner or purchaser to  
404 implement any necessary property improvements; (C) licensure and  
405 certification compliance history; (D) reasonableness of actual and  
406 projected expenses; and (E) the ability of the facility to meet wage and  
407 benefit costs. No interim rate shall be increased pursuant to this  
408 subsection in excess of one hundred fifteen per cent of the median rate  
409 for the facility's peer grouping, established pursuant to subdivision (3)  
410 of subsection (a) of section 17b-340d, unless recommended by the  
411 commissioner and approved by the Secretary of the Office of Policy and  
412 Management after consultation with the commissioner. Such median  
413 rates shall be published by the Department of Social Services not later  
414 than April first of each year. In the event that a facility granted an  
415 interim rate increase pursuant to this section is sold or otherwise  
416 conveyed for value to an unrelated entity less than five years after the  
417 effective date of such rate increase, the rate increase shall be deemed  
418 rescinded and the department shall recover an amount equal to the  
419 difference between payments made for all affected rate periods and  
420 payments that would have been made if the interim rate increase was  
421 not granted. The commissioner may seek recovery of such payments  
422 from any facility with common ownership. With the approval of the  
423 Secretary of the Office of Policy and Management, the commissioner

424 may waive recovery and rescission of the interim rate for good cause  
 425 shown that is not inconsistent with this section, including, but not  
 426 limited to, transfers to family members that were made for no value. The  
 427 commissioner shall provide written quarterly reports to the joint  
 428 standing committees of the General Assembly having cognizance of  
 429 matters relating to aging, human services and appropriations and the  
 430 budgets of state agencies, that identify each facility requesting an  
 431 interim rate increase, the amount of the requested rate increase for each  
 432 facility, the action taken by the commissioner and the secretary pursuant  
 433 to this subsection, and estimates of the additional cost to the state for  
 434 each approved interim rate increase. Nothing in this subsection shall  
 435 prohibit the commissioner from increasing the rate of a licensed chronic  
 436 and convalescent nursing home or a rest home with nursing supervision  
 437 for allowable costs associated with facility capital improvements or  
 438 increasing the rate in case of a sale of a licensed chronic and convalescent  
 439 nursing home or a rest home with nursing supervision if receivership  
 440 has been imposed on such home. For purposes of this section,  
 441 "temporary nursing services agency" and "nursing personnel" have the  
 442 same meaning as provided in section 19a-118.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	17b-354(a)
Sec. 2	<i>from passage</i>	17b-355
Sec. 3	<i>July 1, 2026</i>	17b-99a
Sec. 4	<i>July 1, 2026</i>	17b-340(a)

**Statement of Legislative Commissioners:**

In Section 1(a), "outlined in" was changed to "described in" for accuracy and Section 3(j) was redrafted for clarity.

**AGE**      *Joint Favorable Subst. -LCO*