



General Assembly

Amendment

February Session, 2026

LCO No. 5644



Offered by:

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To: Subst. Senate Bill No. 123

File No. 67

Cal. No. 67

"AN ACT REQUIRING PUBLIC HEARINGS FOR CERTAIN RATE INCREASES AT ASSISTED LIVING FACILITIES."

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

3 "Section 1. Subsection (e) of section 19a-564 of the 2026 supplement to
4 the general statutes is repealed and the following is substituted in lieu
5 thereof (*Effective October 1, 2026*):

6 (e) An assisted living services agency shall: (1) Ensure that all services
7 being provided on an individual basis to clients are fully understood
8 and agreed upon between either the client or the client's representative;
9 (2) ensure that the client or the client's representative is made aware of
10 the cost of any such services; (3) disclose fee increases to a resident or a
11 resident's representative not later than sixty days prior to such fees
12 taking effect; [and] (4) if a fee increase exceeds ten per cent of the

13 previous fee, hold an informational hearing, not later than thirty days
14 prior to such fee increase taking effect, that provides an opportunity for
15 commentary, including, but not limited to, commentary by residents,
16 residents' representatives and residents' family members; and (5)
17 provide, upon request, to a resident and a resident's representative the
18 history of fee increases over the past three calendar years. Nothing in
19 this subsection shall be construed to limit an assisted living services
20 agency from immediately adjusting fees to the extent such adjustments
21 are directly related to a change in the level of care or services necessary
22 to meet individual resident safety needs at the time of a scheduled
23 resident care meeting or if a resident's change of condition requires a
24 change in services.

25 Sec. 2. Section 7-127b of the general statutes is repealed and the
26 following is substituted in lieu thereof (*Effective from passage*):

27 (a) The chief elected official or the chief executive officer if by
28 ordinance of each municipality shall appoint a municipal agent for
29 [elderly persons] aging. Such agent (1) shall be a (A) staff member of a
30 senior center, [a] (B) member of an agency that serves [elderly persons]
31 older adults in the municipality, or [a] (C) responsible resident of the
32 municipality who has demonstrated an interest in assisting [elderly
33 persons] older adults or has been involved in programs in the field of
34 aging, and (2) shall not have a conflict of interest or a potential conflict
35 of interest that may interfere with the municipal agent's ability to
36 provide unbiased information, assistance or referral services. Two or
37 more municipalities may jointly appoint one or more municipal agents
38 to carry out the duties and responsibilities of a municipal agent,
39 provided such municipalities enter into a memorandum of agreement
40 or understanding for such purpose, which may include, but need not be
41 limited to, terms concerning the sharing of any expenses relating to the
42 municipal agent or agents.

43 (b) The duties of the municipal agent shall include, but need not be
44 limited to: (1) Disseminating information to [elderly persons] older
45 adults, assisting such persons in learning about the community

46 resources available to them and publicizing such resources and benefits;
47 (2) assisting [elderly persons] older adults in applying for federal and
48 state benefits, and accessing community resources, available to such
49 persons; and (3) reporting to the chief elected official or chief executive
50 officer of the municipality and the Department of Aging and Disability
51 Services any needs and problems of [the elderly] older adults and any
52 recommendations for action to improve services to [the elderly] older
53 adults. For the purposes of this subsection, "community resources"
54 means resources that assist [elderly persons] older adults in gaining
55 access to housing opportunities, including, but not limited to,
56 information regarding access to waitlists for housing designated for
57 [elderly persons] older adults, applications and consumer reports.

58 (c) Each municipal agent shall serve for a term of two or four years,
59 at the discretion of the appointing authority of each municipality, and
60 may be reappointed. If more than one agent is necessary to carry out the
61 purposes of this section, the appointing authority, in its discretion, may
62 appoint one or more assistant agents. The town clerk in each
63 municipality shall notify the Department of Aging and Disability
64 Services immediately of the appointment of a new municipal agent.
65 Each municipality may provide to its municipal agent resources
66 sufficient for such agent to perform the duties of the office.

67 (d) The Department of Aging and Disability Services shall adopt and
68 disseminate to municipalities guidelines as to the role and duties of
69 municipal agents and such informational and technical materials as may
70 assist such agents in performance of their duties. The department, in
71 cooperation with the area agencies on aging, may provide training for
72 municipal agents within the available resources of the department and
73 of the area agencies on aging.

74 (e) On or before January 1, 2025, the Commissioner of Aging and
75 Disability Services shall create a directory of municipal agents
76 appointed pursuant to the provisions of this section, which shall
77 include, but need not be limited to, the name, title, telephone number,
78 electronic mail address and mailing address of each municipal agent.

79 The commissioner shall post a link to the directory on the Department
80 of Aging and Disability Services' Internet web site.

81 (f) On and after July 1, 2026, each municipal agent, at the time of such
82 municipal agent's appointment or reappointment, shall certify, in
83 writing, that such municipal agent is unaware of any conflict of interest
84 or potential conflict of interest that may interfere with the municipal
85 agent's ability to provide unbiased information, assistance or referral
86 services and submit such certification to the Commissioner of Aging and
87 Disability Services in a form and manner prescribed by the
88 commissioner. If, during the term of a municipal agent, such a conflict
89 of interest or potential conflict of interest arises, any interested party
90 may, and a municipal agent shall, immediately report such conflict of
91 interest or potential conflict of interest to the appointing authority to
92 determine whether another municipal agent or municipal employee can
93 act in lieu of the affected municipal agent to nullify such conflict of
94 interest or potential conflict of interest. The appointing authority may
95 consult with the Department of Aging and Disability Services in making
96 such determination. For the purposes of this subsection, the term
97 "conflict of interest" includes, but is not limited to, the receipt of any
98 financial or personal benefit by a municipal agent, such agent's spouse,
99 parent, sibling, child or child's spouse or a business associated with such
100 agent.

101 Sec. 3. Section 29-453a of the general statutes is repealed and the
102 following is substituted in lieu thereof (*Effective October 1, 2026*):

103 (a) Any privately owned multifamily housing project, within a
104 municipality with a population of at least one hundred thirty thousand
105 but less than one hundred [thirty-five] forty thousand, as enumerated
106 in the 2020 federal decennial census, shall install and maintain one or
107 more emergency power generators capable of providing a minimum of
108 four to twelve hours of sufficient electrical power to (1) each unit for
109 heating, water, lighting and critical medical equipment, and (2) each
110 passenger elevator.

111 (b) For purposes of this section, "privately owned multifamily
112 housing project" means real property that (1) consists of, or
113 encompasses, a building not less than fifteen stories in height that
114 contains dwelling units whose occupancy is restricted by age, and (2) is
115 subject, in whole or in part, to a mortgage insured under the National
116 Housing Act, 12 USC 1701 et seq.

117 Sec. 4. (NEW) (*Effective October 1, 2026*) (a) As used in this section: (1)
118 "Home health aide agency" has the same meaning as provided in section
119 19a-490 of the general statutes, (2) "home health aide employee" means
120 a person (A) who is employed as a home health aide by a home health
121 aide agency, or (B) with whom such agency has contracted to provide
122 home health aide services on behalf of such agency, (3) "home health
123 aide services" has the same meaning as provided in section 19a-490 of
124 the general statutes, and (4) "personal protective equipment" includes,
125 but is not limited to, disposable gloves, hand sanitizers, aprons, gowns,
126 foot covers, face shields, N95 masks or higher rated masks certified by
127 the National Institute for Occupational Safety and Health and surgical
128 masks.

129 (b) Each home health aide agency shall provide each home health
130 aide employee, at no cost, personal protective equipment that is
131 necessary to safely provide home health aide services to each client of a
132 home health aide employee.

133 Sec. 5. Subsection (a) of section 17b-354 of the 2026 supplement to the
134 general statutes is repealed and the following is substituted in lieu
135 thereof (*Effective from passage*):

136 (a) The Department of Social Services shall not accept or approve any
137 requests for additional nursing home beds, except (1) beds restricted to
138 use by patients with acquired immune deficiency syndrome or by
139 patients requiring neurological rehabilitation; (2) beds associated with a
140 continuing care facility, as described in section 17b-520, provided such
141 beds are not used in the Medicaid program; [. For the purpose of this
142 subsection, beds associated with a continuing care facility are not subject

143 to the certificate of need provisions pursuant to sections 17b-352 and
144 17b-353;] (3) Medicaid certified beds either to be relocated from one
145 licensed nursing facility to another licensed nursing facility to meet a
146 priority need identified in the strategic plan developed pursuant to
147 subsection (c) of section 17b-369 or new beds added to an existing
148 facility or a new facility with preference given to a nontraditional, small-
149 house-style nursing home facility that incorporates the goals for nursing
150 facilities referenced in the department's strategic plan for long-term
151 care, as described in section 17b-355, as amended by this act, to address
152 priority needs reflected by area census trends; (4) licensed Medicaid
153 nursing facility beds to be relocated from one or more existing nursing
154 facilities to a new nursing facility, including a replacement facility,
155 provided (A) no new Medicaid certified beds are added, (B) at least one
156 currently licensed facility is closed in the transaction as a result of the
157 relocation, (C) the relocation is done within available appropriations,
158 (D) the facility participates in the Money Follows the Person
159 demonstration project pursuant to section 17b-369, (E) the availability of
160 beds in the area of need will not be adversely affected, (F) the certificate
161 of need approval for such new facility or facility relocation and the
162 associated capital expenditures are obtained pursuant to sections 17b-
163 352 and 17b-353, and (G) the facilities included in the bed relocation and
164 closure shall be in accordance with the strategic plan developed
165 pursuant to subsection (c) of section 17b-369; and (5) proposals to build
166 a nontraditional, small-house style nursing home designed to enhance
167 the quality of life for nursing facility residents, provided that the
168 nursing facility agrees to reduce its total number of licensed beds by a
169 percentage determined by the Commissioner of Social Services in
170 accordance with the department's strategic plan for long-term care. For
171 the purposes of this subsection, beds associated with a continuing care
172 facility are not subject to the certificate of need provisions pursuant to
173 sections 17b-352 and 17b-353.

174 Sec. 6. Section 17b-355 of the general statutes is repealed and the
175 following is substituted in lieu thereof (*Effective from passage*):

176 (a) In determining whether a request submitted pursuant to sections
177 17b-352 to 17b-354, inclusive, as amended by this act, will be granted,
178 modified or denied, the Commissioner of Social Services shall consider
179 the following: (1) The financial feasibility of the request and its impact
180 on the applicant's rates and financial condition, (2) the contribution of
181 the request to the quality, accessibility and cost-effectiveness of the
182 delivery of long-term care in the region, including consideration of the
183 nursing home's star rating on the five-star quality rating system for
184 nursing homes published by the Centers for Medicare and Medicaid
185 Services, (3) whether there is clear public need for the request, (4) the
186 relationship of any proposed change to the applicant's current
187 utilization statistics and the effect of the proposal on the utilization
188 statistics of other facilities in the applicant's service area, (5) the business
189 interests of all owners, partners, associates, incorporators, directors,
190 sponsors, stockholders and operators and the personal background of
191 such persons, and (6) any other factor which the Department of Social
192 Services deems relevant. In considering whether there is clear public
193 need for any request for the relocation of beds to a replacement facility,
194 or for new beds added to an existing facility or a new facility, the
195 commissioner shall consider whether there is a demonstrated bed need
196 in the towns within a fifteen-mile radius of the town in which the beds
197 are proposed to be located and whether the availability of beds in the
198 applicant's service area will be adversely affected.

199 (b) Any proposal to relocate nursing home beds from an existing
200 facility to a new facility shall not increase the number of Medicaid
201 certified beds and shall result in the closure of at least one currently
202 licensed facility. The commissioner may request that any applicant
203 seeking to replace an existing facility reduce the number of beds in the
204 new facility by a percentage that is consistent with the department's
205 strategic state-wide long-term rebalancing plan for long-term care. If an
206 applicant seeking to replace an existing facility with a new facility owns
207 or operates more than one nursing facility, the commissioner may
208 request that the applicant close two or more facilities before approving
209 the proposal to build a new facility. The commissioner shall also

210 consider whether an application to establish a new or replacement
211 nursing facility proposes a nontraditional, small-house style nursing
212 facility and incorporates goals for nursing facilities referenced in the
213 department's strategic state-wide long-term rebalancing plan for long-
214 term care, including, but not limited to, (1) promoting person-centered
215 care, (2) providing enhanced quality of care, (3) creating community
216 space for all nursing facility residents, and (4) developing stronger
217 connections between the nursing facility residents and the surrounding
218 community. [Bed]

219 (c) Demonstrated bed need shall be based on the recent occupancy
220 percentage of area nursing facilities [and the] with occupancy above
221 ninety-six per cent for a minimum of two consecutive quarters. The
222 department may consider projected bed need [for no more than five
223 years] into the future at [ninety-seven and one-half per cent] occupancy
224 above ninety-six per cent using the latest [official population projections
225 by town and age as published by the Office of Policy and Management
226 and the latest available state-wide nursing facility utilization statistics
227 by age cohort from the Department of Public Health] strategic state-
228 wide long-term rebalancing plan for long-term care as published by the
229 department. The commissioner may also consider area specific
230 utilization and reductions in utilization rates to account for the
231 increased use of less institutional alternatives.

232 Sec. 7. Section 17b-99a of the 2026 supplement to the general statutes
233 is repealed and the following is substituted in lieu thereof (*Effective July*
234 *1, 2026*):

235 (a) (1) For purposes of this section, (A) "extrapolation" means the
236 determination of an unknown value by projecting the results of the
237 review of a sample to the universe from which the sample was drawn,
238 (B) "facility" means any facility described in this subsection and for
239 which rates are established pursuant to section 17b-340, (C) "minimum
240 data set" means the federal resident assessment tool required by the
241 Centers for Medicare and Medicaid Services, and [(C)] (D) "universe"
242 means a defined population of claims submitted by a facility during a

243 specific time period.

244 (2) The Commissioner of Social Services shall conduct any audit of a
245 licensed chronic and convalescent nursing home, chronic disease
246 hospital associated with a chronic and convalescent nursing home, a rest
247 home with nursing supervision, a licensed residential care home, as
248 defined in section 19a-490, and a residential facility for persons with
249 intellectual disability which is licensed pursuant to section 17a-227 and
250 certified to participate in the Medicaid program as an intermediate care
251 facility for individuals with intellectual disabilities in accordance with
252 the provisions of this section.

253 (b) Not less than thirty days prior to the commencement of any such
254 audit, the commissioner shall provide written notification of the audit
255 to such facility, unless the commissioner makes a good-faith
256 determination that (1) the health or safety of a recipient of services is at
257 risk; or (2) the facility is engaging in vendor fraud under sections 53a-
258 290 to 53a-296, inclusive.

259 (c) Any clerical error, including, but not limited to, recordkeeping,
260 typographical, scrivener's or computer error, discovered in a record or
261 document produced for any such audit, shall not of itself constitute a
262 wilful violation of the rules of a medical assistance program
263 administered by the Department of Social Services unless proof of intent
264 to commit fraud or otherwise violate program rules is established. In
265 determining which facilities shall be subject to audits, the Commissioner
266 of Social Services may give consideration to the history of a facility's
267 compliance in addition to other criteria used to select a facility for an
268 audit.

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

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

279 (f) The commissioner shall produce a preliminary written report
280 concerning any audit conducted pursuant to this section and such
281 preliminary report shall be provided to the facility that was the subject
282 of the audit not later than sixty days after the conclusion of such audit.

283 (g) The commissioner shall, following the issuance of the preliminary
284 report pursuant to subsection (f) of this section, hold an exit conference
285 with any facility that was the subject of any audit pursuant to this
286 subsection for the purpose of discussing the preliminary report. Such
287 facility may present evidence at such exit conference refuting findings
288 in the preliminary report.

289 (h) The commissioner shall produce a final written report concerning
290 any audit conducted pursuant to this subsection. Such final written
291 report shall be provided to the facility that was the subject of the audit
292 not later than sixty days after the date of the exit conference conducted
293 pursuant to subsection (g) of this section, unless the commissioner and
294 the facility agree to a later date or there are other referrals or
295 investigations pending concerning the facility.

296 (i) Any facility aggrieved by a final report issued pursuant to
297 subsection (h) of this section may request a rehearing. A rehearing shall
298 be held by the commissioner or the commissioner's designee, provided
299 a detailed written description of all items of aggrievement in the final
300 report is filed by the facility not later than ninety days following the date
301 of written notice of the commissioner's decision. The rehearing shall be
302 held not later than thirty days following the date of filing of the detailed
303 written description of each specific item of aggrievement. The
304 commissioner shall issue a final decision not later than sixty days
305 following the close of evidence or the date on which final briefs are filed,
306 whichever occurs later. Any items not resolved at such rehearing to the

307 satisfaction of the facility or the commissioner shall be submitted to
308 binding arbitration by an arbitration board consisting of one member
309 appointed by the facility, one member appointed by the commissioner
310 and one member appointed by the Chief Court Administrator from
311 among the retired judges of the Superior Court, which retired judge
312 shall be compensated for his services on such board in the same manner
313 as a state referee is compensated for his services under section 52-434.
314 The proceedings of the arbitration board and any decisions rendered by
315 such board shall be conducted in accordance with the provisions of the
316 Social Security Act, 42 USC 1396, as amended from time to time, and
317 chapter 54.

318 (j) The commissioner shall conduct audits of minimum data set
319 information used in the calculation of Medicaid acuity-based per diem
320 rates paid to licensed nursing homes. The commissioner shall conduct
321 an audit of minimum data set information in accordance with the
322 provisions of this section, except a nursing home shall provide all
323 documentation requested by the commissioner pursuant to the
324 minimum data set audit not later than ten days after the date on which
325 the commissioner requests such documentation. The commissioner
326 shall not accept any documentation submitted by a nursing home after
327 the completion of the exit conference portion of the audit unless the
328 commissioner and the nursing home agree to such submission of
329 documentation.

330 [(j)] (k) The submission of any false or misleading [fiscal] information
331 or data to the commissioner shall be grounds for suspension of
332 payments by the state under sections 17b-239 to 17b-246, inclusive, and
333 sections 17b-340, and 17b-343, in accordance with regulations adopted
334 by the commissioner. In addition, any person, including any
335 corporation, who knowingly makes or causes to be made any false or
336 misleading statement or who knowingly submits false or misleading
337 fiscal information or data on the forms approved by the commissioner
338 shall be guilty of a class D felony.

339 [(k)] (l) The commissioner, or any agent authorized by the

340 commissioner to conduct any inquiry, investigation or hearing under
341 the provisions of this section, shall have power to administer oaths and
342 take testimony under oath relative to the matter of inquiry or
343 investigation. At any hearing ordered by the commissioner, the
344 commissioner or such agent having authority by law to issue such
345 process may subpoena witnesses and require the production of records,
346 papers and documents pertinent to such inquiry. If any person disobeys
347 such process or, having appeared in obedience thereto, refuses to
348 answer any pertinent question put to the person by the commissioner or
349 the commissioner's authorized agent or to produce any records and
350 papers pursuant thereto, the commissioner or the commissioner's agent
351 may apply to the superior court for the judicial district of Hartford or
352 for the judicial district wherein the person resides or wherein the
353 business has been conducted, or to any judge of such court if the same
354 is not in session, setting forth such disobedience to process or refusal to
355 answer, and such court or judge shall cite such person to appear before
356 such court or judge to answer such question or to produce such records
357 and papers.

358 [(l)] (m) The commissioner shall provide free training to facilities on
359 the preparation of cost reports to avoid clerical errors and shall post
360 information on the department's Internet web site concerning the
361 auditing process and methods to avoid clerical errors. Not later than
362 April 1, 2015, the commissioner shall establish audit protocols to assist
363 facilities subject to audit pursuant to this section in developing
364 programs to improve compliance with Medicaid requirements under
365 state and federal laws and regulations, provided audit protocols may
366 not be relied upon to create a substantive or procedural right or benefit
367 enforceable at law or in equity by any person, including a corporation.
368 The commissioner shall establish and publish on the department's
369 Internet web site audit protocols for: (1) Licensed chronic and
370 convalescent nursing homes, (2) chronic disease hospitals associated
371 with chronic and convalescent nursing homes, (3) rest homes with
372 nursing supervision, (4) licensed residential care homes, as defined in
373 section 19a-490, and (5) residential facilities for persons with intellectual

374 disability that are licensed pursuant to section 17a-227 and certified to
375 participate in the Medicaid program as intermediate care facilities for
376 individuals with intellectual disabilities. The commissioner shall ensure
377 that the Department of Social Services, or any entity with which the
378 commissioner contracts to conduct an audit pursuant to this section, has
379 on staff or consults with, as needed, licensed health professionals with
380 experience in treatment, billing and coding procedures used by the
381 facilities being audited pursuant to this section."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	19a-564(e)
Sec. 2	<i>from passage</i>	7-127b
Sec. 3	<i>October 1, 2026</i>	29-453a
Sec. 4	<i>October 1, 2026</i>	New section
Sec. 5	<i>from passage</i>	17b-354(a)
Sec. 6	<i>from passage</i>	17b-355
Sec. 7	<i>July 1, 2026</i>	17b-99a