OFFICE OF FISCAL ANALYSIS
Legislative Office Building, Room 5200
Hartford, CT 06106 ◇ (860) 240-0200
http://www.cga.ct.gov/ofa

sSB-125
AN ACT RESTRICTING PRIVATE EQUITY OWNERSHIP OF NURSING HOMES.

AMENDMENT

LCO No.: 5496
File Copy No.: 69
Senate Calendar No.: 69

OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the language in the underlying bill and the associated fiscal impact.

Section 1, which requires assisted living service agencies to hold informational hearings related to certain fee increases, has no fiscal impact to the state.

Section 2 of the amendment results in potential savings beginning in FY 27 to municipalities that choose to jointly appoint municipal agents for aging, as expenses relating to the agents can now be shared across multiple municipalities. The section also adds a requirement concerning conflicts of interest that does not have a fiscal impact.

Section 3 could result in a revenue gain to the state associated with allowing (1) the Department of Social Services (DSS) to impose a civil penalty of $1,000 per day on any nursing home failing to provide the information required under the amendment, and (2) the Department of Public Health to impose a maximum civil penalty of $2,000 per violation for failing to provide the required attestation. The exact revenue gain, if any, is dependent on the number of violations and the agencies' discretion regarding civil penalties.

Primary Analyst: ES
Contributing Analyst(s): NB, LD, JP

4/30/26
(FN)

Sections 3 and 4 are anticipated to result in additional staffing costs to DSS of approximately $100,000 for a Principal Cost Analyst (with associated fringe of $42,000) to manage the oversight and review of investment entity ownerships in nursing homes.

To the extent that the costs for securing a surety bond or similar form of security are factored into nursing home rates, DSS will incur associated Medicaid costs.

Section 5, which adjusts the requirements for which multifamily housing projects must have at least one emergency power generator, does not result in a fiscal impact to the state or to municipalities as this only concerns private parties.

Section 6, which requires home health aide agencies to provide their home health aide employees and contractors certain personal protective equipment (PPE) for no cost, does not result in a fiscal impact to the state.

Sections 7 and 8 could result in increased Medicaid costs to DSS associated with allowing DSS to approve requests to add new Medicaid-certified beds to existing or new nursing homes. To the extent this results in a higher cost per bed than Medicaid would otherwise support, or new costs related to a new facility, the state will incur associated allowable Medicaid expenditures. The actual fiscal impact is dependent on the scope and approval of such requests.

Section 8 also adds to the list of items DSS must consider when determining whether to approve or deny requests for additional nursing home beds. To the extent considering the Center for Medicare and Medicaid Services' (CMS) five-star quality rating system alters the decision DSS would have otherwise made, the agency could experience an impact, which cannot be determined at this time.

Section 9 modifies minimum data set requirements for audit purposes. This could impact nursing home rates to the extent limiting the timeframe in which minimum data set information must be submitted adjusts the calculation of Medicaid acuity-based per diem rates paid to nursing homes.