

Legislative History for Connecticut Act

**PA 14-163**

HB5424

House	3928-4048	121
Senate	3431-3450	20
Environment	816-821, 871-874, 929- <u>931, 959-985, 1177-1205</u>	69
		<b>210</b>

**H - 1183**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2014**

**VOL.57  
PART 3  
685 - 1026**

SPEAKER SHARKEY:

Representative Molgano wishes to cast his vote in the negative.

And will the Clerk please take a tally.

Will the Clerk please announce the tally.

THE CLERK:

Bill Number 5131, LCO 3123, as amended by House

"A."

Total number voting	144
Necessary for passage	73
Those voting Yea	120
Those voting Nay	24
Absent and not voting	5

SPEAKER SHARKEY:

The bill as amended passes.

Will the Clerk please call Calendar Number 182.

THE CLERK:

Mr. Speaker, Calendar 182, Favorable Report of the joint standing Committee on Human Services, Substitute House Bill 5441, AN ACT CONCERNING DIRECT PAYMENT OF RESIDENTIAL CARE FACILITIES.

SPEAKER SHARKEY:

Representative Hilda Santiago; you have the floor, madam.

mhr  
HOUSE OF REPRESENTATIVES

114  
April 9, 2014

REP. SANTIAGO (84th):

Good afternoon, Mr. Speaker.

SPEAKER SHARKEY:

Good afternoon, madam.

REP. SANTIAGO (84th):

I move for acceptance of the joint committee's  
Favorable Report and passage of the bill.

SPEAKER SHARKEY:

The question is acceptance of the joint  
committee's Favorable Report and passage of the bill.

Will you remark, madam?

REP. SANTIAGO (84th):

Thank you, Mr. Speaker.

This is a bill that is for payments to  
residential care services, licensed homes. The  
current process of the SSP benefit, which is the State  
Supplemental Program --

SPEAKER SHARKEY:

If you can pause for just a moment, madam?

Can we have -- I cannot hear the proponent of the  
bill's comments. If you can take your conversations  
out of the Chamber, that would be helpful, and  
otherwise keep the volume level down so we can all  
hear.

Representative Santiago, will you proceed, madam.

REP. SANTIAGO (84th):

Thank you, Mr. Speaker.

This bill is about the current process of the State Supplemental Program and the Temporary Family Assistance Program that requires home, boarding home requirements, payments are made to the beneficiary. This bill will actually change that process.

There are difficulties when the boarding home is unable to obtain the money owed from the residents, so the residential care homes came up and testified that they needed an operational change through the Department of Social Services. DSS also had a testimony that they believed that this will improve the accuracy and the efficiency of the way payments are made.

It's very important, also, that if the payments are made directly to the residential care services, that the resident will still be able to live there and have shelter. And if the payments are made directly to the beneficiary, sometimes they leave and the residential care home won't get the payment.

So this works in both ways. It's a common-sense process and it will help to make sure that residents

are living in these residential care services.

I move adoption.

SPEAKER SHARKEY:

Thank you, madam.

The question before the Chamber is adoption of House Bill 8554.

Do you care to remark?

Representative Wood.

REP. WOOD (141st):

Thank you, Mr. Speaker.

I stand in support of this bill and appreciate Representative Santiago's recap of the bill.

There was another comment that I just wanted to briefly comment on, that the resident -- this was from an administrator at one of the nursing homes here in the state -- the residents' checks may have to be made out and sent to the home. These funds are instrumental in the smooth operation of the facility.

They are constantly chasing residents who have used the money for something else. They've moved out. They've left the state. The state then has to refund the money, so it just makes sense, and I urge everyone to support this.

Thank you, Mr. Speaker.

SPEAKER SHARKEY:

Thank you, madam.

Do you care to remark further on -- on the bill?

Do you care to remark further?

If not, staff and guests to the Well of the House. Members take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll. Will members please return to the Chamber immediately.

SPEAKER SHARKEY:

Have all the members voted? Have all the members voted?

Will the members please check the board to make sure your vote is properly cast.

If all the members have voted, the machine will be locked.

Representative Molgano, how would you like your vote to be cast?

Mr. Clerk, if you will cast Representative Molgano's vote in the affirmative.

And please take a tally.

Will the Clerk please announce the tally.

mhr  
HOUSE OF REPRESENTATIVES

118  
April 9, 2014

THE CLERK:

House Bill 5441.

Total number voting 143

Necessary for passage 72

Those voting Yea 143

Absent, not voting 6

SPEAKER SHARKEY:

The bill passes.

Will the Clerk please call Calendar Number 199.

THE CLERK:

Yes, Mr. Speaker.

On page 18, House Calendar 199, Favorable Report  
of the joint standing Committee on Public Health,  
House Bill 5149, AN ACT CONCERNING CARDIOPULMONARY  
RESUSCITATION CERTIFICATION.

SPEAKER SHARKEY:

Distinguished Chairman of the Public Safety  
Committee, Representative Dargan; you have the floor,  
sir.

REP. DARGAN (115th):

Thank you, very much, Mr. Speaker.

I move with acceptance of joint committee's  
Favorable Report and passage of the bill.

SPEAKER SHARKEY:

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CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
2014**

**VETO  
SESSION**

**VOL. 57  
PART 11  
3246 – 3508**

pat/gbr  
SENATE

266  
May 7, 2014

Calendar and to mark it PT and that is the item on Calendar Page 43, Calendar 204, Senate Bill 327. If that bill might be just removed from the foot and marked passed temporarily.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, I have a lengthy list of items to be placed on a Consent Calendar. I want to thank all of the members for their cooperation.

THE CHAIR:

Senator Looney, hang on please. Please take your conversations outside the Chamber. We have a long Consent Calendar and Senators want to know which bills are on the Consent Calendar. Everybody needs to pay attention, please. Senator Looney.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, beginning on Calendar Page 5, Calendar 327, House Bill 5099, I move to place the item on the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Also, Mr. President, Calendar Page 5, Calendar 330, House Bill 5441, move to place the item on the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

pat/gbr  
SENATE

288  
May 7, 2014

SENATOR LOONEY:

Madam President.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. One additional item to place on the Consent Calendar at this time. It's Calendar Page 25, Calendar 562, Substitute for House Bill Number 5466. I move to place that item on the Consent Calendar.

THE CHAIR:

So ordered, sir.

SENATOR LOONEY:

Thank you, Madam President. Now, Madam President, if the Clerk would list the items on the Consent Calendar so we might proceed to a vote.

THE CHAIR:

Mr. Clerk.

THE CLERK:

We have items from previously adopted Senate Agendas, House Bill 5525, Senate Bill 152, House Bill 5528, House Bill 5311.

On Calendar Page 5, Calendar 327, House Bill 5099.

Also on Page 5, Calendar 330, House Bill 5441.

On Page 6, Calendar 341, House Bill 5117.

Calendar 338, House Bill 5323.

Calendar 344, House Bill 5442.

pat/gbr  
SENATE

295  
May 7, 2014

SENATOR LOONEY:

If we might pause for just a moment to verify a couple of additional items.

Madam President, to verify an additional item, I believe it was placed on the Consent Calendar and Calendar Page 30, on Calendar Page 30, Calendar 592, Substitute for House Bill 5476.

THE CHAIR:

It is, sir.

SENATOR LOONEY:

It is on? Okay. Thank you. Thank you, Madam President. If the Clerk would now, finally, Agenda Number 4, Madam President, Agenda Number 4 one additional item ask for suspension to place up on Agenda Number 4 and that is, ask for suspension to place on the Consent Calendar an item from Agenda Number 4.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you, Madam President, and that item is Substitute House Bill Number 5566 from Senate Agenda Number 4.

Thank you, Madam President. If the Clerk would now, if we might call for a vote on the Consent Calendar.

THE CHAIR:

Mr. Clerk. Will you please call for a Roll Call Vote on the Consent Calendar. The machine will be opened.

THE CLERK:

An immediate Roll Call has been ordered in the Senate.

pat/gbr  
SENATE

296  
May 7, 2014

An immediate Roll Call on Consent Calendar Number 2 has been ordered in the Senate.

THE CHAIR:

If all members have voted, all members have voted, the machine will be closed. Mr. Clerk will you please call the tally.

THE CLERK:

Consent Calendar Number 2.

Total number voting	36
Necessary for adoption	19
Those voting Yea	36
Those voting Nay	0
Those absent and not voting	0

THE CHAIR:

The Consent Calendar passes. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. Two additional items to take up before the, our final vote on the implementer. If we might stand for just, for just a moment.

The first item to mark Go is, Calendar, to remove from the Consent Calendar, Calendar Page 22, Calendar 536, House Bill 5546. If that item might be marked Go.

And one additional item, Madam President, and that was from Calendar, or rather from Agenda Number 4, ask for suspension to take it up for purposes of marking it Go, that is House Bill, Substitute for House Bill 5417. Thank you, Madam President.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**HUMAN  
SERVICES  
PART 2  
505 – 933**

**2014**

1

March 6, 2014

jat/mcr HUMAN SERVICES COMMITTEE

11:00 A.M.

CHAIRMAN: Senator Slossberg  
 Representative Abercrombie  
 Senator Coleman  
 Representative Stallworth

MEMBERS PRESENT:

SENATORS: Markley

REPRESENTATIVES:

Ackert, Bowles, Butler,  
Case, Cook, McGee, Miller,  
Morris, Ritter,  
Rutigliano, Santiago,  
Wood, Zupkus

REP. ABERCROMBIE: I'd like to combine the Human  
 Services public hearing for today.

SENATOR SLOSSBERG: Combine.

REP. ABERCROMBIE: Madam Co-Chair any opening --  
 what did I say?

SENATOR SLOSSBERG: Combine.

REP. ABERCROMBIE: Oh, sorry. Oh, wow, if I'm  
 starting this way, it's going to be a long  
 hearing. Sorry about that, guys. Maybe I need  
 more coffee. No comment? Okay.

So with that we'll move on to the Commissioner  
 Bremby.

Good morning, sir. Thank you for being here.

COMMISSIONER BREMBY: Morning, Senator Slossberg,  
 Representative Abercrombie, members of the  
 Human Services Committee. I'm Rod Bremby. I'm  
 the Commissioner of Department of Social  
 Services, and I'm pleased to be back before you  
 again to testify on bills related to the  
 Department, raised on behalf of the Department,  
 and we offer written remarks on several of the

HB 5443 HB 5439HB 5441 SB 324SB 252 SB 328SB 322 SB 323HB 5444 HB 5440HB 5446

bills on today's agenda which impact the Department.

In terms of bills raised by the Department or on behalf of the Department, House Bill 5443 is an act concerning Medicaid coverage for certain over-the-counter drugs. This proposal, while adding very modest additional Medicaid over-the-counter drug coverage, is necessary to comply with federal requirements for the Medicaid expansion. This change is necessary to allow cover of over-the-counter drugs that are required to be included in the benefits package for the Medicaid expansion to non-disabled, non-elderly person, adults with dependent children.

At this time, the only additional over-the-counter drugs that would be required to be covered by this change are those listed in the U.S. Preventative Services Task Force A and B recommendations. Specifically, those drugs include only, one, low dose aspirin to prevent cardiovascular disease for men ages 45 to 79 years of age and women ages 55 to 79 years of age where the potential benefit outweighs the potential harm, and, two, folic acid for women who are planning or are capable of becoming pregnant. Folic acid is already covered for women who are already pregnant.

Connecticut's Medicaid program already covers the vast majority of preventative services included in these guidelines. The only items not currently covered are the OTC that are within the USPSTF. So recognizing the benefits of this expansion outweigh the costs as well as the advantages in managing a uniform program from an administrative standpoint. This bill also extends coverage to these drugs to other Medicaid eligible. We ask for your support of this bill.

bill.

Senate or House Bill 5441, an act concerning direct payment of residential care facilities. This bill is intended to improve the process by which we make payments to licensed boarding homes. This improvement is accomplished by permitting the Department to make state supplement benefit payments directly to boarding homes instead of through residents. DSS uses a similar model for payments to nursing facilities on behalf of Medicaid recipients.

The current payment process for state supplement benefits that are owed to a boarding home requires that the benefits pass through the resident and then be paid to the boarding home. This adds an unnecessary next step in the payment process and frequently results in difficulties when the boarding home is unable to obtain the old payments from the residents.

Residential care homes have requested this operational change, and the Department believes it will improve payment accuracy and efficiency.

The Department would also like to respectfully ask or request an amendment to this provision and have amended recommended language to add testimony, which I think you have in front of you. The purpose is to reflect a more up-to-date definition of boarding home that captures all of the existing facilities. It is our intention to incorporate this definition into the Department's UPN, and we ask that the bill be amended for consistency as well. So we ask for your support of this bill.

Senate Bill 324, an act concerning the Department of Social Services programs. This

physicians in the way that they're reimbursed in that it has to go through the hospital, et cetera.

From your perspective, it's just the opposite. They're looking to become different in the way they're reimbursed, not that -- let's say if I'm understanding what you're saying, they're looking to be reimbursed differently than other specialties within the hospital. And I guess I'd say, as is often the case, it's all a little unclear in my mind. Could you help me see through this?

COMMISSIONER BREMBY: I think the best way to help you see through it is to ask someone who actually sets the rates to clarify why the rates are the way that they are for different types of services provided in different locations within the hospital.

So let us get some information to help make that argument and to help clarify why it is the way that it is.

SENATOR MARKLEY: Thank you very much, Commissioner.

REP. ABERCROMBIE: Representative Ackert.

REP. ACKERT: Thank you, Madam Chair. And good to see you, Commissioner.

Just clarification, if I could, on the first bill that you testified -- actually, second, 5441, the direct payment for residential care facilities.

I read your notes, read through it. It makes sense to me in terms of, you know, allocating - - other testimony backs it also. But you asked about, you know, maybe having a clarification of boarding homes, and then I read your

amendment to it. Could you just, in a Readers Digest version, tell me what the difference is from the existing and how it would help this piece of legislation on that definition?

COMMISSIONER BREMBY: How it will help is that it will help to make consistent the terminology throughout the statutes. The language varies in so many different places. This consolidates one use, one definition, and helps to refine and make clear that it applies to boarding homes in this context. That's what we're trying to do is to clean up as much as much as possible.

REP. ACKERT: Thank you, Commissioner. I appreciate that. I will read through that as I go through it a little bit more. I just happened to see that for the first time.

And then one last question on Senate Bill 323, the act concerning capital expenditures for residential care homes. Is there an amount now that you can reimburse for these services? I do see your comments regarding the maintenance, and I can understand that component because that could be anything. But is there -- do you know -- is this a practice now, or is there a new number to this or just completely a new piece of legislation?

COMMISSIONER BREMBY: Chris does lead this.

REP. ACKERT: Good to see you, Chris.

CHRIS LAVIGNE: Thank you. My name is Chris Lavigne. I'm the director of reimbursement at the Department.

Residential care homes can put into service upgrades, you know, anything over \$2,500, and they'll get built into the rate the following

we had. Thank you very much.

Unfortunately, we have run past our first hour, which means we have to go to the public portion of the hearing.

With that, anyone that's coming up now to testify has three minutes. Please announce your name, and there will be a buzzer that will go off that will time you, and then we will go back to the -- and then we'll go back to the public officials.

So with that, our first bill that we will be calling is House Bill 5441, an act concerning direct payment of residential care homes.

Peter Mackay. Is he here? Peter? Sorry.  
Followed by Elaine Cole.

Good afternoon, sir. Thank you for being here.  
Please just put on your buzzer.

PETER MACKAY: Good afternoon. Excuse me. I'd like to testify in support of Senate Bill 323 with some changes in an act concerning the capital expenditures in the residential care homes and also in support of House Bill 5441, concerning direct payments to the residential care homes.

Senator Slossberg, Representative Abercrombie, members of the Human Services Committee, my name is Peter C. MacKay. I am the Treasurer of Connecticut Association of Residential Care Home Owners, which represents 70 percent of the RCHs in Connecticut. I am also the administrator and the owner of the Roseland in Brooklyn, Connecticut.

I am in support of Senate Bill 323 with the follow changes. I would rather see language that addresses where the money is coming from.

This is in reference to the capital expenditures. If an expense is paid for with a loan, it should be capitalized over the life of the loan. If a home lends out cash for something, why can't the state speed up the repayment or repay us interest on our loan to the state?

I don't feel it is appropriate that a private entity should have to give the state a free loan of our personal assets to do repairs on a building that is actually the state's responsibility. Considering the state has no issue with paying the interest on a bank loan, maybe the state can pay us interest on the money that we lay out for them.

So if we are required to dump thousands of dollars of our own money to address mandates and regulations developed by the state, why shouldn't the state pay us at least for the money that we are losing because we cannot use those funds elsewhere?

The present system has the state making unfunded mandates on our facilities, which we are required by law to implement. Sometimes costing us thousands of dollars, and then we have to fight with DSS to have our interest-free loan to the state repaid in our rates, completely at their discretion.

And I also am in support of House Bill 5441 with some changes. The resident rent checks have to be made out and sent to the home. These funds are instrumental in the smooth operation of the facility.

We are continuously chasing residents that have moved out into the community. The state pays their portion of the rent 30 days in arrears. Thus, when a resident moves out, the state

sends our last rent check to a resident that no longer lives at the facility. We have to chase this person down and hope that they give it to us. They can and have, in the past, declined to do so, and we are told by DSS that it is between us and the resident; and the state will not help in this situation.

Under the section for late cost reports, I understand the need of the DSS to be able to hold someone's feet to the fire and get our reports in on time. I am concerned that the regulation has no room for flexibility, and I quote, "If a licensed residential care home fails to submit a complete and accurate report within 30 days of date of notice, such home shall not receive a retroactive rate increase."

This, in essence, is a penalty for not filing in a timely manner, and I am agreeable to it. But it leaves no room for legitimate issues that might face a facility. The majority of our homes are small, family-run facilities, and there are instances that can make it difficult, if not impossible, to get a report done on time, a death in the facility, a fire at the facility, or something as simple as a crashed computer, or an issue at an accountant's office that is beyond our control could easily keep the report from being done on time.

If there is no back door to this regulation and you had one of these types of issues, this regulation and the loss of funds associated might just be the thing that pushes your facility out over the edge and into the abyss.

I think some language that allows this regulation to be implemented at the discretion of the Commissioner, with the ability of the facility to contest a decision, would be appropriate.

Thank you for taking the time to listen to my concerns.

REP. ABERCROMBIE: Thank you for your testimony. We do appreciate it. Questions from committee members? Thank you, sir. Have a great day.

Elaine Cole followed by Commissioner Rehmer.

Good afternoon: Can you just put your microphone on, ma'am? There you go.

ELAINE COLE: Thank you. Senator Slossberg, Representative Abercrombie, and members of the Human Services Committee, my name is Elaine Cole. I am past President of the Connecticut Association of Residential Care Homes and owner of Mystic River Residential Care, located in Mystic, Connecticut.

I am here to testify in favor of Senate Bill 323, an act concerning capital expenditures at residential care facilities and offer testimony concerning House Bill 5441, an act concerning direct payment.

I am going to summarize this because I know the time is short. But the Connecticut Association of Residential Care Homes supports Senate Bill 323, which would allow homes to receive reimbursement adjustments for capital expenditures such as roof replacement and heating, air condition upgrades over five or fewer years.

We strongly believe that adoption of the minor reimbursement change proposed under this bill will greatly assist many homes that provide a needed and cost-effective services to elderly and disabled individuals. The support services provided by residential care homes often help

to avoid the need for costly medical services, including inpatient hospital stays and outpatient utilization.

Currently, the RCH rate setting method depreciates the cost of each asset based upon its estimated useful life, as published in the American Hospital Guide for Estimated Useful Lives, and in many cases this exceeds 10 years.

I am going to skip some of this, but basically we're asking that it be limited to a five-year period. And there are many reasons for this, and as a small business owner, I can say that I have had to several times borrow money in the amounts of \$5,000 from my mother, who was able to do it. And at this point in time, she is 96 and has stopped loaning me money.

However, I have had to take out a line of credit on my home in order to meet expenses, and this is really above and beyond what someone should be expected to do. So this change really could help and make a difference.

The second thing is we are -- CARCH is supporting the direct payment to residential care facilities, and this may seem strange, but what I've had happen in my facility is that a check came in for a young woman; and she was scheduled to leave. She was going to another residential care home, which was fine. It was agreed upon. So feeling she had nothing to lose, she cashed in the last check herself for her own situation.

HB5441

And the facility is basically defenseless with this, you know. I mean, I can't discharge her, but she's going anyway. And it's basically that she would have the right to do something that, you know -- or that it's made easy for her to do something that is not okay. So we

support the direct payment to residential care homes.

We are very, very concerned about Section 4 of the bill that would unfairly penalize homes for a delay in the cost report, and I think that what happens many times is that perhaps it is forgotten that we are the smallest of business handling the neediest people; and we just have penalties that are excessive for our situation.

So I will hand in my testimony. If there are any questionable, I'd be happy to answer them.

REP. ABERCROMBIE: Thank you, and thank you for your testimony. Questions from committee members? Thank you very much for being here. We appreciate it.

ELAINE COLE: Thank you.

REP. ABERCROMBIE: Now we will go back to the public officials' portion of the hearing and Commissioner Pat Rehmer. Good morning. Nice to see you. We don't normally see you before our committee, so it's nice to have you here.

COMMISSIONER REHMER: Thank you. Thank you. It's good to be here, but I think it's afternoon. Good afternoon.

REP. ABERCROMBIE: Oh, now don't put the cloud out on my sunshine, please.

COMMISSIONER REHMER: Your day is moving faster than you thought. Good afternoon, Senator Slossberg, Representative Abercrombie, and members of the Human Services Committee. I'm Commissioner Patricia Rehmer, and I'm here to speak on Senate Bill 322, an act concerning a behavioral health clearinghouse. You have my written testimony.

Testimony of Peter C. MacKay

The Roseland Management Group, LLC.

In support of SB 323 with changes to An act Concerning Capital Expenditures at Residential Care Homes and in support with changes of HB 5441 An act concerning Direct payment of Residential Care Facilities

Senator Slossberg, Representative Abercrombie and Members of the Human Services Committee, my name is Peter C. MacKay, I am the Treasurer of The Connecticut Association of Residential Care Home Owners which represents 70% of the RCH's in Connecticut. I am also the Administrator and owner of The Roseland in Brooklyn, Ct.

I am in support of SB 323 with the following changes;

I would rather see language that addresses WHERE the monies come from. If an expense is paid for with a loan, it should be capitalized over the life of the loan. If a home lays out cash for something, then why can't the State speed up the repayment or pay us interest on our loan to the State? I don't feel it is appropriate that a private entity should have to give the State a free loan of our personal assets to do repairs on a building that is actually the State's responsibility. Considering the State has no issue with paying the interest on a bank loan, maybe the State can pay us interest on the money we lay out for them. So, if we are required to dump thousands of dollars of OUR own money to address mandates and regulations developed by the State, why shouldn't the State pay us at least for the money we are losing because we cannot use those funds elsewhere? The present system has the State making unfunded mandates on our facilities which we are required by law to implement, sometimes costing us thousands of dollars and then we have to fight with DSS to have our interest free loan to the State repaid in our rates, completely at their discretion.

I am in support of HB 5441 with the following changes;

The resident's rent checks HAVE to be made out and sent to the home. These funds are instrumental in the smooth operation of the facility. We are continuously chasing resident that have moved out to the community. The State pays their portion of the rent 30 days in arrears. Thus, when a resident moves out, the State sends our last rent check to a Resident that no longer lives at the facility. We have to chase this person down and hope that they give it to us. They can and have in the past declined and we are told by DSS that it is between us and the Resident and the State will not help in this situation.

F2  
page 4, line 21

Under the section for late cost reports, I understand the need of DSS to be able to hold someone's feet to the fire and get our reports in on time. I am concerned that the regulation has no room for flexibility. I quote;

*"If a licensed residential care home fails to submit a complete and accurate report within thirty days from the date of notice, such home shall not receive a retroactive rate increase."*

This in essence is a penalty for not filing in a timely manner and I am agreeable to it, but it leaves no room for a legitimate issue that might face a facility. A majority of the homes are small family run facilities and there are instances that could make it very difficult if not impossible to get a report done on time. A death in the family, a fire at the facility, or something as simple as a crashed computer or an issue at the accountant's office that is beyond our control could easily keep the report from being done on time. If there is no back door to this regulation, and you had one of these types of issues, this regulation and the loss of funds associated, might just be the thing that pushes your facility over the edge and into the abyss.

I think some language that allows this regulation to be implemented at the discretion of the Commissioner, with the ability of the facility to contest his decision would be would be appropriate.

Thank You, for taking the time to hear my concerns.

Sincerely,

Peter C. MacKay

The Roseland Management Group, LLC.

T3  
page 4, line 23

**TESTIMONY OF Elaine Cole, Connecticut Association of Residential Care Homes**

**IN SUPPORT OF SB323- AN ACT CONCERNING CAPITAL EXPENDITURES AT  
RESIDENTIAL CARE HOMES.**

**&**

**CONCERNING HB5441- AN ACT CONCERNING DIRECT PAYMENT OF  
RESIDENTIAL CARE FACILITIES.**

Human Services Committee Public Hearing, March 6, 2014

Senator Slossberg, Representative Abercrombie and members of the Human Services Committee, my name is Elaine Cole. I am a board member of the CT Association of Residential Care Home (CARCH) and the owner of Mystic River Residential Care. I am here to testify in favor of SB323- An Act Concerning Capital Expenditures at Residential Care Facilities and offer testimony concerning House Bill 5441- An Act Concerning Direct Payment Of Residential Care Facilities.

**Support of SB323- Capital Expenditures at Residential Care Homes**

The Connecticut Association of Residential Care Homes (CARCH) supports Senate Bill 323 which would allow homes to receive reimbursement adjustments for capital expenditures, such as roof replacements and heating/air conditioning upgrades, over five or fewer years. We strongly believe that adoption of the minor reimbursement change proposed under this bill will greatly assist many homes that provide needed and cost-effective services to elderly and disabled individuals. The support services provided by Residential Care Homes (RCHs) often helps avoid the need for costly medical services including hospital inpatient and outpatient utilization.

Currently, the RCH rate-setting method depreciates the cost of each asset based upon its estimated useful life as published in the American Hospital Association Guide for Estimated Useful Lives. The established useful life of many assets exceeds ten years.

As small businesses that rely on state payments for residential and support services provided to individuals eligible for the Aid to the Aged, Blind and Disabled (AABD)/State Supplement program, most RCHs are not financially strong enough to self-fund significant capital outlays. RCHs generally fund necessary repairs and improvements with short-term credit lines, when available, or seek bank loans. Banks are often unwilling to amortize small fixed payment loans for more than five years. As a result, RCHs that make needed capital improvements to maintain physical plant and assure the health and safety of their residents, can face cash shortfalls when the useful life used for rate-setting is longer than the pay-back term associated the renovation/improvement financing.

While SB 323 would not solve the capital funding challenges of all RCHs, it would be of great assistance to many homes. CARCH expects that adoption of SB 323 has the potential for state savings over the long term.

The availability of rate reimbursement over a shorter period should enable more homes to obtain loan approvals and make needed repairs and renovations in a timely fashion and avoid higher costs associated with delays. The change would also improve the financial viability of many homes which could avoid the need for costly state receiverships.

Further, the state can save rate of return (ROR) and interest expense allowance costs related to RCH assets under \$10,000 with lives of six or more years that would now be limited to five year allowance periods. For example, under the state's capital reimbursement system (fair rental allowance), a \$9,000 capital cost having a ten year useful life with a 3% ROR results in a rate-setting allowance of \$1,055 per year for a total of \$10,550 over ten years. If the \$9,000 capital cost is reimbursed over five years with a 3% ROR, the total allowance over the shorter period is \$9,825 (\$1,965/year) resulting in a state savings of \$725.

CARCH requests your support for this bill and would add that SB 323 would complement a recently adopted IRS regulation that allows small businesses with buildings having an unadjusted basis of under \$1.0 million to expense capital repair and maintenance costs of up to \$10,000 in certain circumstances.

#### **Concerning HB5441- Direct Payment of Residential Care Facilities**

The Connecticut Association of Residential Care Homes (CARCH) supports legislation that would enable the Department of Social Services (DSS) to make direct payments, under the Aid to the Aged, Blind and Disabled (AABD) / State Supplement program to the residential care home (RCH).

Presently, AABD payments for RCH services are issued to recipients and homes regularly experience instances, particularly in the first month of stay, when residents do not apply their benefits to the cost of care. The proposed change by DSS assures that state funds are directed as intended under the AABD program. It is unfair for RCH operators to provide services without payment. The majority of residents use the funds appropriately but because RCHs serve some of the most vulnerable in the state, including individuals with mental health and substance abuse issues, there are occasions when residents refuse to pay. This puts homes in a difficult and unnecessary position of having to try to recoup the funds with little recourse.

However, we cannot support Section 4 of HB 5441 which would unfairly penalize homes for any delay no matter what the reason. The proposed section leaves no room for flexibility even in cases of hardship on the part of the home. RCHs are for the most part small family run facilities that often face legitimate issues such as a family illness, issue with the accountant's office or a host of other reasons. The proposed language does not provide the Commissioner latitude and could punitively impact homes who made best efforts to complete their cost reports.

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We would ask that you remove Section 4 from the bill or at the very least ask that the language be permissive by changing "shall" to "may" so that the department would have the discretion to consider extraordinary circumstances such as the death of an owner or cost report preparer. As small businesses, RCHs do not have a depth of management and accounting resources.

In total, we would ask you to support Sections 1-3 of the bill which would increase efficiency and remove section 4 or at the very least provide flexibility with the language.

I thank you for the opportunity to speak today and would be happy to answer any questions.

**TESTIMONY OF DR. KULDIP S BHOGAL, ADMINISTRATOR AND OWNER OF  
APRIL TIME RCH, MANCHESTER**

**IN SUPPORT OF SB323- AN ACT CONCERNING CAPITAL EXPENDITURES AT  
RESIDENTIAL CARE HOMES.**

**&**

**CONCERNING HB5441 - AN ACT CONCERNING DIRECT PAYMENT OF  
RESIDENTIAL CARE FACILITIES.**

**Human Services Committee Public Hearing, March 6, 2014**

Senator Slossberg, Representative Abercrombie and members of the Human Services Committee, my name is Dr. Kuldip Singh Bhogal. I am an executive Board member of the CT Association of Residential Care Home (CARCH) and the owner and Administrator of April Time Residential Care Home located in Manchester. I am writing to testify in favor of SB323- An Act Concerning Capital Expenditures at Residential Care Facilities and offer testimony concerning House Bill 5441- An Act Concerning Direct Payment Of Residential Care Facilities.

**Support of SB323- Capital Expenditures at Residential Care Homes**

The Connecticut Association of Residential Care Homes (CARCH) supports Senate Bill 323 which would allow homes to receive reimbursement adjustments for capital expenditures, such as roof replacements and heating/air conditioning upgrades, over five or fewer years. We strongly believe that adoption of the minor reimbursement change proposed under this bill will greatly assist many homes that provide needed and cost-effective services to elderly and disabled individuals. The support services provided by Residential Care Homes (RCHs) often helps avoid the need for costly medical services including hospital inpatient and outpatient utilization.

Currently, the RCH rate-setting method depreciates the cost of each asset based upon its estimated useful life as published in the American Hospital Association Guide for Estimated Useful Lives. The established useful life of many assets exceeds ten years.

As small businesses that rely on state payments for residential and support services provided to individuals eligible for the Aid to the Aged, Blind and Disabled (AABD)/State Supplement program, most RCHs are not financially strong enough to self-fund significant capital outlays. RCHs generally fund necessary repairs and improvements with short-term credit lines, when available, or seek bank loans. Banks are often unwilling to amortize small fixed payment loans for more than five years. As a result, RCHs that make needed capital improvements to maintain physical plant and assure the health and safety of their residents, can face cash shortfalls when the useful life used for rate-setting is longer than the pay-back term associated the renovation/improvement financing.

While SB 323 would not solve the capital funding challenges of all RCHs, it would be of great assistance to many homes. CARCH expects that adoption of SB 323 has the potential for state savings over the long term.

Many RCH facilities are in need of urgent and necessary repair. The availability of rate reimbursement over a shorter period would encourage and enable more homes to obtain loan approvals and make needed repairs and renovations in a timely fashion and avoid higher costs associated with delays. The change would also improve the financial viability of many homes which could avoid the need for costly state receiverships.

Further, the state can save rate of return (ROR) and interest expense allowance costs related to RCH assets under \$10,000 with lives of six or more years that would now be limited to five year allowance periods. For example, under the state's capital reimbursement system (fair rental allowance), a \$9,000 capital cost having a ten year useful life with a 3% ROR results in a rate-setting allowance of \$1,055 per year for a total of \$10,550 over ten years. If the \$9,000 capital cost is reimbursed over five years with a 3% ROR, the total allowance over the shorter period is \$9,825 (\$1,965/year) resulting in a state savings of \$725. April Time has recently spent over \$17,000 to repair its sewer line, relay its driveway and removed its old 2000 gallon buried oil tank. A shorter reimbursement period will certainly help with our cash flow and at the same time save the State on the interest it would pay.

CARCH requests your support for this bill and would add that SB 323 would complement a recently adopted IRS regulation that allows small businesses with buildings having an unadjusted basis of under \$1.0 million to expense capital repair and maintenance costs of up to \$10,000 in certain circumstances.

#### **Concerning HB5441- Direct Payment of Residential Care Facilities**

The Connecticut Association of Residential Care Homes (CARCH) supports legislation that would enable the Department of Social Services (DSS) to make direct payments, under the Aid to the Aged, Blind and Disabled (AABD) / State Supplement program to the residential care home (RCH).

Presently, AABD payments for RCH services are issued to recipients and homes regularly experience instances, particularly in the first few months of stay, when residents do not apply their benefits to the cost of care. The proposed change by DSS assures that state funds are directed as intended under the AABD program. It is unfair for RCH operators to provide services without payment as both the Social Security and the DSS will not pay this lost money again. A resident of April Time had over \$10,000 paid into his EBT card. He was ready to go to the Mohegan Sun when he was overheard by a member of Staff. We alerted the DSS and managed to get the funds diverted to April Time albeit \$1100 short. We are still trying to recoup this shortfall from the resident!! We have had several incidences when the residents have already spent

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the moneys wrongly credited to their EBT cards and most times it has been impossible to fully retrieve these moneys from the residents.

However, we cannot support Section 4 of HB 5441 which would unfairly penalize homes for any delay no matter what the reason. The proposed section leaves no room for flexibility even in cases of hardship on the part of the home. RCHs are for the most part small family run facilities that often face legitimate issues such as a family illness, issue with the accountant's office or a host of other reasons. The proposed language does not provide the Commissioner latitude and could punitively impact homes who made best efforts to complete their cost reports.

We would ask that you remove Section 4 from the bill or at the very least ask that the language be permissive by changing "shall" to "may" so that the department would have the discretion to consider extraordinary circumstances such as the death of an owner or cost report preparer. As small businesses, RCHs do not have a depth of management and accounting resources.

In total, we would ask you to support Sections 1-3 of the bill which would increase efficiency and remove section 4 or at the very least provide flexibility with the language.

I thank you for the opportunity to speak today and would be happy to answer any questions.

TESTIMONY OF Janis Davis, Sheltering Arms , VP of Eldercare Services  
**IN SUPPORT OF SB323- AN ACT CONCERNING CAPITAL EXPENDITURES AT  
RESIDENTIAL CARE HOMES.  
&  
CONCERNING HB5441- AN ACT CONCERNING DIRECT PAYMENT OF  
RESIDENTIAL CARE FACILITIES.  
Human Services Committee Public Hearing, March 6, 2014**

Senator Slossberg, Representative Abercrombie and members of the Human Services Committee, my name is Janis Davis. I am a member of the CT Association of Residential Care Home (CARCH) and VP of Eldercare Services at UCFS/Sheltering Arms located in Norwich. I am here to testify in favor of SB323- An Act Concerning Capital Expenditures at Residential Care Facilities and offer testimony concerning House Bill 5441- An Act Concerning Direct Payment Of Residential Care Facilities.

**Support of SB323- Capital Expenditures at Residential Care Homes**

The Connecticut Association of Residential Care Homes (CARCH) supports Senate Bill 323 which would allow homes to receive reimbursement adjustments for capital expenditures, such as roof replacements and heating/air conditioning upgrades, over five or fewer years. We strongly believe that adoption of the minor reimbursement change proposed under this bill will greatly assist many homes that provide needed and cost-effective services to elderly and disabled individuals. The support services provided by Residential Care Homes (RCHs) often helps avoid the need for costly medical services including hospital inpatient and outpatient utilization.

Currently, the RCH rate-setting method depreciates the cost of each asset based upon its estimated useful life as published in the American Hospital Association Guide for Estimated Useful Lives. The established useful life of many assets exceeds ten years.

While SB 323 would be of great assistance to many homes, CARCH expects that adoption of SB 323 has the potential for state savings over the long term.

With the adoption of SB 323 the state can save rate of return (ROR) and interest expense allowance costs related to RCH assets under \$10,000 with lives of six or more years that would now be limited to five year allowance periods. For example, under the state's capital reimbursement system (fair rental allowance), a \$9,000 capital cost having a ten year useful life with a 3% ROR results in a rate-setting allowance of \$1,055 per year for a total of \$10,550 over ten years. If the \$9,000 capital cost is reimbursed over five years with a 3% ROR, the total allowance over the shorter period is \$9,825 (\$1,965/year) resulting in a state savings of \$725.

CARCH requests your support for this bill and would add that SB 323 would complement a recently adopted IRS regulation that allows small businesses with

buildings having an unadjusted basis of under \$1.0 million to expense capital repair and maintenance costs of up to \$10,000 in certain circumstances.

**Concerning HB5441- Direct Payment of Residential Care Facilities**

The Connecticut Association of Residential Care Homes (CARCH) supports legislation that would enable the Department of Social Services (DSS) to make direct payments, under the Aid to the Aged, Blind and Disabled (AABD) / State Supplement program to the residential care home (RCH).

Presently, AABD payments for RCH services are issued to recipients and homes regularly experience instances, particularly in the first month of stay, when residents do not apply their benefits to the cost of care. The proposed change by DSS assures that state funds are directed as intended under the AABD program. It is unfair for RCH operators to provide services without payment. We have experienced situations where the resident has received; cashed and spent the check and not provided the funds to us for payment. In another situation the resident has moved and the check for prior months payment was forwarded to the resident's new address due to post office forwarding or change of address in the DSS system because of receipt of DSS Admission and Discharge Form # W-265. The check, which was for several months was in excess of \$7,000 and was cashed by the resident and their family member, without any funds being paid to our home.

Your support of these bills would be greatly appreciated.

Respectfully,



Janis Davis

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**From:** Gary Faraci <thegarsman@yahoo.com>  
**Sent:** Thursday, March 06, 2014 11:04 AM  
**To:** HSTestimony  
**Subject:** bill hb5441

Bill hb5441 regarding boarding homes be paid directly:

Regarding testimony to get direct payment is a great policy, after all, convalescent homes receive direct payment, the reason we cannot is because we are community based. however, we know it can be done, I have good conservators and had many bad ones, the good ones prefer we get paid directly, and somehow they made me and the facility the "A-Rep" therefore the check is payable to me, no endorsement required, even of a lost check, I can handle it myself with the client having to go to the state office and file affidavits. This is very time consuming. also we would receive all redetermination forms, failure file these forms results in a discontinuance of benefits, whereas conservators often overlook filing these very important forms, discontinuance of benefits results in lost medical coverage to the clients and boarding homes do not get paid, it is very time consuming to get the clients reinstated when this happens. Interruption of benefits is crucial, it is not something a client should have to go through and either should the boarding homes. Also the fact that a savy resident will somehow manage to get the check and spend it without paying the facility, this has happened to me for the sum of over \$2,800, and more recently happened to shailorville manor, our recourse to recover these funds is minimal, best we can do is get an arrest warrant to a client that will never have that amount of money to ever pay the facility. i fully support Bill # hb5441 thank-you Gary P. Faraci Maple Leaf Manor



Testimony to the Human Services Committee

Submitted by Mag Morelli, President of LeadingAge Connecticut

March 6, 2014

Regarding

- HB 5441, Direct Payment of Residential Care Facilities
- SB 323, Capital Expenditures at Residential Care Homes

LeadingAge Connecticut is a statewide membership organization representing over 130 mission-driven and not-for-profit provider organizations serving older adults across the continuum of long term care, services and supports and including not-for-profit residential care homes. On behalf of LeadingAge Connecticut, I would like to submit testimony on the following bills and offer the Committee our assistance as you consider these issues.

**HB 5441, Direct Payment of Residential Care Facilities**

LeadingAge Connecticut supports this bill which would allow the Department of Social Services (DSS) to make direct payments, under the Aid to the Aged, Blind and Disabled (AABD) / State Supplement program to the residential care home (RCH). Presently, AABD payments for RCH services are issued to recipients and homes regularly experience instances, particularly in the first month of stay, when residents do not apply their benefits to the cost of care. The proposed change assures that state funds are directed as intended under the AABD program. It will also save additional time and financial hardship for the residential care home providers who at times need to expend extensive resources in order to collect the requirement payment.

We would ask that the Committee modify Section 3 of HB 5441 which would unfairly penalize residential care homes for any delay no matter what the reason. The proposed section leaves no room for flexibility even in cases of hardship on the part of the home. The proposed language does not provide the Commissioner latitude and could punitively impact residential care homes that made best efforts to complete their cost reports.

**SB 323, Capital Expenditures at Residential Care Homes**

LeadingAge Connecticut supports Senate Bill 323 which would allow homes to receive reimbursement adjustments for capital expenditures, such as roof replacements and heating/air conditioning upgrades, over five or fewer years. We believe that adoption of the minor reimbursement change proposed under this bill will assist many residential care homes, and particularly the smaller homes, that provide needed and cost-effective services to elderly and disabled individuals and which are in need of smaller capital improvements.

Thank you for this opportunity to submit this testimony.

Mag Morelli, President





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page 1, line 2



*Testimony before the Human Services Committee*  
*Roderick L. Bremby, Commissioner*  
*March 6, 2014*

HB 5439    HB 5441  
SB 324    SB 252  
SB 328    SB 322  
SB 323    HB 5444

Good morning, Senator Slossberg and Representative Abercrombie and distinguished members of the Human Services Committee. My name is Roderick Bremby and I am the Commissioner of the Department of Social Services. I am pleased to be before you today to testify on several bills raised on behalf of the Department. In addition, I offer written remarks on several other bills on today's agenda that impact the Department.

HB 5440  
HB 5446

**Bills Raised on Behalf of DSS:**

**H.B. No. 5443 (RAISED) AN ACT CONCERNING MEDICAID COVERAGE FOR CERTAIN OVER-THE-COUNTER DRUGS.**

This proposal, while adding very modest additional Medicaid over-the-counter drug coverage, is necessary to comply with federal requirements for the Medicaid expansion. This change is necessary to allow coverage of over-the-counter drugs that are required to be included in the benefits package for the Medicaid expansion to non-disabled, non-elderly adults without dependent children (Medicaid Coverage for the Lowest Income Populations or HUSKY D) earning up to 138% of the federal poverty level. At this time, the only additional over-the-counter drugs that would be required to be covered by this change are those listed in the U.S. Preventive Services Task Force A and B recommendations. Specifically, those drugs include only: (1) low-dose aspirin to prevent cardiovascular disease for men ages 45 to 79 years of age and women ages 55 to 79 years of age when the potential benefit outweighs the potential harm; and (2) folic acid for women who are planning or are capable of becoming pregnant (folic acid is already covered for women who are pregnant).

The Medicaid expansion is governed by federal law, pursuant to section 2001 of the Affordable Care Act. Beginning January 1, 2014, federal law requires the benefit package provided to individuals in the Medicaid expansion to offer ten Essential Health Benefits. These requirements apply both to newly eligible individuals under the Medicaid expansion and also to individuals previously included in Connecticut's partial expansion of Medicaid to low-income adults beginning in April 2010, pursuant to 42 U.S.C. § 1396a(k)(2).

Connecticut's Medicaid program already covers the vast majority of the preventive services included in those guidelines. The only items not currently covered are the over-the-counter medications recommended for individuals with certain diagnoses in the U.S. Preventive Services Task Force ("USPSTF") recommendations. Those over-the-counter drugs are not currently covered because Conn. Gen. Stat. § 17b-280a, which was adopted in 2010, prohibits such

coverage, except in limited circumstances not applicable to the preventive services requirements. Recognizing that the benefits of this expansion outweigh the costs, as well as the advantages in managing a uniform program from an administrative standpoint, this bill also extends coverage of these drugs to other Medicaid-eligible populations.

We ask for your support of this bill.

**H.B. No. 5439 (RAISED) AN ACT CONCERNING MEDICAID BRAND NAME DRUG PRESCRIPTIONS.**

This bill seeks to revise the requirements for practitioners utilizing electronic prescriptions to prescribe a brand name drug product as "medically necessary." Section 17b-274 (b) currently requires the prescribing practitioner to follow up with written certification that the brand name drug is medically necessary. As a result, the prescribing practitioner is required to send something in writing to the pharmacy, even though the electronic prescription was meant to replace the need for a written prescription and allow for more efficiency in the provision of medical care to patients.

The electronic prescription system is a secure system, and each physician has a unique log-in and password. Electronic prescriptions allow a provider to send an accurate, error-free, and understandable prescription directly to the pharmacy. During the process of sending a prescription electronically, the prescribing physician can verify eligibility and formulary data for a patient and view medication history for the patient. Electronic prescribing also helps the providers save time and money. Requiring follow-up written notification within 10 days of sending the electronic prescription defeats the purpose of submitting electronic prescriptions and creates unnecessary paperwork. Given the current requirements, many providers may opt to send a written prescription when prescribing brand name medication to avoid the two-step process associated with electronic prescribing.

We ask for your support of this bill.

**H.B. No. 5441 (RAISED) AN ACT CONCERNING DIRECT PAYMENT OF RESIDENTIAL CARE FACILITIES.**

This bill is intended to improve the process by which DSS makes payments to licensed boarding homes. This improvement is accomplished by permitting the Department to make State Supplement benefit payments directly to boarding homes, instead of through residents. DSS uses a similar model to make payments to nursing facilities on behalf of Medicaid recipients. The current payment process for State Supplement benefits that are owed to a boarding home requires that the benefits pass through the resident and then be paid to the boarding home. This adds an unnecessary extra step in the payment process and frequently results in difficulties when the boarding home is unable to obtain the owed payments from the residents. Residential care homes (RCH) have requested this operational change and the Department believes that it will improve payment accuracy and efficiency.

In addition to allowing the Department to make direct payments, the bill also seeks to address an area of operational inefficiency involving retroactive rate increases -- by requiring RCHs to submit complete and accurate annual rate reports to the Department within 30 days of being notified that they failed to submit a complete and accurate report, or the RCHs will not receive retroactive rate increases. Finally, if a retroactive rate increase results in a current resident of an RCH becoming eligible for State Supplement benefits, the Department will be able to provide the RCH a retroactive payment for the period that the eligible resident was in the RCH, up to a maximum of three months.

Required annual cost reports are frequently not submitted in a timely manner, which often leads to no rate increase or a rate decrease for the RCH. When the required report is finally submitted, the Department calculates a retroactive rate increase. Due to the rate increase, some residents of RCHs who were previously ineligible for boarding home State Supplement benefits may become eligible. This is because eligibility for this State Supplement benefit is directly linked to RCH payment rates. To be eligible for a boarding home payment, it must be determined that the need of the beneficiary exceeds the beneficiary's income. The beneficiary's need is determined by using the daily rate of the RCH plus the personal needs allowance. In order to then calculate the amount owed to an RCH because of a retroactive increase, the Department imputes eligibility for State Supplement benefits for admitted residents back to the effective date of the increase. This process is cumbersome, time-consuming and error-prone.

In order to reduce the need to provide retroactive rate adjustments that date well back into the past, the Department proposes that the RCHs be required to timely submit their annual cost reports in order to obtain retroactive adjustments. The Department will provide a non-compliant RCH with a 30-day opportunity to submit a complete and accurate cost report. If the non-compliant RCH fails to produce the report in that period, then the RCH will not be eligible for a retroactive rate increase. In order to provide certainty to the RCH regarding the level of retroactive payment, the Department proposes that any resident who becomes eligible for benefits as a result of the increase will be determined to have applied for benefits as of the date of admission to the RCH or 90 days prior to application, whichever is more recent. The Department must limit eligibility retroactivity to 90 days, due to Medicaid rules associated with State Supplement benefits.

The Department would like to respectfully request an amendment to this provision and have appended recommended language to our testimony. The purpose is to reflect a more up-to-date definition of "boarding homes" that captures all of the existing facilities. It is our intention to incorporate this definition into the Department's Uniform Policy Manual, and we would ask that the bill be amended for consistency, as well.

We ask for your support of this bill.

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**DSS Recommended Amendment to HB 5441**

Insert the following as Section 1 and renumber subsequent sections accordingly:

Section 1. (*Effective from passage*) As used in sections 17b-83 and 17b-601 of the Connecticut General Statutes, as amended by this act, "rated housing facility" means (1) a boarding facility or home licensed by the Department of Developmental Services, the Department of Mental Health and Addiction Services, or the Department of Children and Families; or (2) the facility established by New Horizons, Inc. pursuant to section 19a-507, provided that any such home or facility has been approved by the Department of Social Services to receive state supplement payments in accordance with section 17b-600.

Strike references in Section 1 and Section 2 of Raised Bill 5441 to "a state-operated facility, as defined in section 17a-458, a boarding house, as defined in section 47a-50" and replace with "a rated housing facility as defined in Section 1 of this act"