House Bill No. 7005

September Special Session, Public Act No. 09-5

AN ACT IMPLEMENTING THE PROVISIONS OF THE BUDGET CONCERNING HUMAN SERVICES AND MAKING CHANGES TO VARIOUS SOCIAL SERVICES STATUTES.

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

Section 1. (NEW) (*Effective from passage*) As used in this section and section 2 of this act:

(1) "Knowing" and "knowingly" means that a person, with respect to information: (A) Has actual knowledge of the information; (B) acts in deliberate ignorance of the truth or falsity of the information; or (C) acts in reckless disregard of the truth or falsity of the information, without regard to whether the person intends to defraud;

(2) "Claim" means any request or demand, whether under a contract or otherwise, for money or property that is made to a contractor, grantee or other recipient if the state provides any portion of the money or property that is requested or demanded, or if the state will reimburse such contractor, grantee or other recipient for any portion of the money or property that is requested or demanded;

(3) "Person" means any natural person, corporation, limited liability company, firm, association, organization, partnership, business, trust or other legal entity;

(4) "State" means the state of Connecticut, any agency or department of the state or any quasi-public agency, as defined in section 1-120 of the general statutes.

Sec. 2. (NEW) (*Effective from passage*) (a) No person shall:

(1) Knowingly present, or cause to be presented, to an officer or employee of the state a false or fraudulent claim for payment or approval under medical assistance programs administered by the Department of Social Services;

(2) Knowingly make, use or cause to be made or used, a false record or statement to secure the payment or approval by the state of a false or fraudulent claim under medical assistance programs administered by the Department of Social Services;

(3) Conspire to defraud the state by securing the allowance or payment of a false or fraudulent claim under medical assistance programs administered by the Department of Social Services;

(4) Having possession, custody or control of property or money used, or to be used, by the state relative to medical assistance programs administered by the Department of Social Services, and intending to defraud the state or wilfully to conceal the property, deliver or cause to be delivered less property than the amount for which the person receives a certificate or receipt;

(5) Being authorized to make or deliver a document certifying receipt of property used, or to be used, by the state relative to state medical assistance programs administered by the Department of Social Services and intending to defraud the state, make or deliver such document without completely knowing that the information on the document is true;

(6) Knowingly buy, or receive as a pledge of an obligation or debt, public property from an officer or employee of the state relative to medical assistance programs administered by the Department of Social Services, who lawfully may not sell or pledge the property; or

(7) Knowingly make, use or cause to be made or used, a false record or statement to conceal, avoid or decrease an obligation to pay or transmit money or property to the state under administered by the Department of Social Services medical assistance programs.

(b) Any person who violates the provisions of subsection (a) of this section shall be liable to the state for: (1) A civil penalty of not less than five thousand dollars or more than ten thousand dollars, (2) three times the amount of damages that the state sustains because of the act of that person, and (3) the costs of investigation and prosecution of such violation. Liability under this section shall be joint and several for any violation of this section committed by two or more persons.

(c) Notwithstanding the provisions of subsection (b) of this section concerning treble damages, if the court finds that: (1) A person committing a violation of subsection (a) of this section furnished officials of the state responsible for investigating false claims violations with all information known to such person about the violation not later than thirty days after the date on which the person first obtained the information; (2) such person fully cooperated with an investigation by the state of such violation; and (3) at the time such person furnished the state with the information about the violation, no criminal prosecution, civil action or administrative action had commenced under sections 3 to 7, inclusive, of this act, with respect to such violation, and such person did not have actual knowledge of the existence of an investigation into such violation, the court may assess not less than two times the amount of damages which the state sustains because of the act of such person. Any information furnished pursuant to this subsection shall be exempt from disclosure under section 1-210 of the general statutes, as amended by this act.

Sec. 3. (NEW) (*Effective from passage*) The Attorney General may investigate any violation of subsection (a) of section 2 of this act. Any information obtained pursuant to this investigation shall be exempt from disclosure under section 1-210 of the general statutes, as amended by this act. If the Attorney General finds that a person has violated or is violating any provision of subsection (a) of section 2 of this act, the Attorney General may bring a civil action in the superior court for the judicial district of Hartford under this section in the name of the state against such person.

Sec. 4. (NEW) (*Effective from passage*) (a) A person may bring a civil action in the superior court for the judicial district of Hartford against any person who violates subsection (a) of section 2 of this act, for the person who brings the action and for the state. Such civil action shall be brought in the name of the state. The action may thereafter be withdrawn only if the court and the Attorney General give written consent to

the withdrawing of such action and their reasons for consenting.

(b) A copy of the complaint and written disclosure of substantially all material evidence and information the person possesses shall be served on the state by serving the Attorney General in the manner prescribed in section 52-64 of the general statutes. The complaint shall be filed in camera, shall remain under seal for at least sixty days and shall not be served on the defendant until the court so orders. The court, upon motion of the Attorney General, may, for good cause shown, extend the time during which the complaint remains under seal. Such motion may be supported by affidavits or other submissions in camera. Prior to the expiration of the time during which the complaint remains under seal, the Attorney General shall: (1) Proceed with the action in which case the action shall be conducted by the Attorney General, or (2) notify the court that the Attorney General declines to take over the action in which case the person bringing the action shall have the right to conduct the action.

(c) If the court orders that the complaint be unsealed and served, the Superior Court shall issue an appropriate order of notice requiring the same notice that is ordinarily required to commence a civil action. The defendant shall not be required to respond to any complaint filed under this section until thirty days after the complaint is served upon the defendant.

(d) If a person brings an action under this section or the federal False Claims Act, 31 USC 3729, et seq. , no person other than the state may intervene or bring a related action based on the facts underlying the pending action.

Sec. 5. (NEW) (*Effective from passage*) (a) If the Attorney General, pursuant to section 4 of this act, elects to proceed with the action, the Attorney General shall have the primary responsibility for prosecuting the action and shall not be bound by any act of the person bringing the action. Such person shall have the right to continue as a party to the action, subject to the limitations set forth in this section.

(b) The Attorney General may withdraw such action notwithstanding the objections of the person bringing the action if the Attorney General has notified the person of the filing of the motion and the court has provided the person with an opportunity for a hearing on the motion.

(c) The Attorney General may settle the action with the defendant notwithstanding the objections of the person bringing the action if the court determines, after a hearing, that the proposed settlement is fair, adequate and reasonable under all the circumstances. Upon a showing of good cause, such hearing may be held in camera.

(d) Upon a showing by (1) the Attorney General that unrestricted participation during the course of the litigation by the person bringing the action would (A) interfere with or unduly delay the Attorney General's prosecution of the case, or (B) be repetitious, irrelevant or for purposes of harassment; or (2) the defendant that unrestricted participation during the course of the litigation by the person bringing the action would be for purposes of harassment or would cause the defendant undue burden or unnecessary expense, the court may, in its discretion, impose limitations on the person's participation, including, but not limited to, limiting the number of witnesses that such person may call, limiting the length of the testimony of any such witnesses, limiting the person's cross-examination of any such witnesses or otherwise limiting the participation by the person in the litigation.

(e) If the court awards civil penalties or damages to the state or if the Attorney General settles with the

defendant and receives civil penalties or damages, the person bringing such action shall receive from the proceeds not less than fifteen per cent but not more than twenty-five per cent of such proceeds of the action or settlement of the claim, based upon the extent to which the person substantially contributed to the prosecution of the action. Any such person shall also receive an amount for reasonable expenses which the court finds to have been necessarily incurred, plus reasonable attorneys' fees and costs. All such expenses, fees and costs shall be awarded against the defendant.

(f) Notwithstanding the provisions of subsection (e) of this section, where the action is one that the court finds to be based primarily on disclosures of specific information relating to allegations or transactions (1) in a criminal, civil or administrative hearing, (2) in a report, hearing, audit or investigation conducted by the General Assembly, a committee of the General Assembly, the Auditors of Public Accounts, a state agency or a quasi-public agency, or (3) from the news media, the court may award from such proceeds to the person bringing the action such sums as it considers appropriate, but in no case more than ten per cent of the proceeds, taking into account the significance of the information and the role of the person bringing the action in advancing the case to litigation. Any such person shall also receive an amount for reasonable expenses that the court finds to have been necessarily incurred, plus reasonable attorneys' fees and costs. All such expenses, fees and costs shall be awarded against the defendant.

Sec. 6. (NEW) (*Effective from passage*) (a) If the Attorney General declines to proceed with the action, the person who brought the action shall have the right to conduct the action. In the event that the Attorney General declines to proceed with the action, upon the request of the Attorney General, the court shall order that copies of all pleadings filed in the action and copies of any deposition transcripts be provided to the state. When the person who brought the action proceeds with the action, the court, without limiting the status and rights of such person, may permit the Attorney General to intervene at a later date upon a showing of good cause.

(b) A person bringing an action under this section or settling the claim shall receive an amount which the court decides is reasonable for collecting the civil penalty and damages. The amount shall be not less than twenty-five per cent or more than thirty per cent of the proceeds of the action or settlement and shall be paid out of such proceeds. Such person shall also receive an amount for reasonable expenses that the court finds to have been necessarily incurred, plus reasonable attorneys' fees and costs. All such expenses, fees and costs shall be awarded against the defendant.

(c) If a defendant prevails in the action conducted under this section and the court finds that the claim of the person bringing the action was clearly frivolous, clearly vexatious or brought primarily for purposes of harassment, the court may award reasonable attorneys' fees and expenses to the defendant.

(d) Irrespective of whether the Attorney General proceeds with the action, upon request and showing by the Attorney General that certain motions or requests for discovery by a person bringing the action would interfere with the state's investigation or prosecution of a criminal or civil matter arising out of the same facts, the court may stay such discovery for a period of not more than sixty days from the date of the order of the stay. Such a showing shall be conducted in camera. The court may extend the stay for an additional sixty-day period upon a further showing in camera that the state has pursued the criminal or civil investigation or proceedings with reasonable diligence and any proposed discovery in the civil action will interfere with the ongoing criminal or civil investigation or proceedings. For the purposes of this subsection, the Chief State's Attorney or state's attorney for the appropriate judicial district may appear to explain to the court the potential impact of such discovery on a pending criminal investigation or prosecution.

Sec. 7. (NEW) (*Effective from passage*) Notwithstanding the provisions of section 4 of this act, the Attorney General may elect to pursue the state's claim through any alternate remedy available to the state, including any administrative proceeding to determine a civil penalty. If any such alternate remedy is pursued in another proceeding, the person bringing the action shall have the same rights in such proceeding as such person would have had if the action had continued under the provisions of sections 4 to 6, inclusive, of this act. Any finding of fact or conclusion of law made in such other proceeding that has become final shall be conclusive on all parties to an action under sections 4 to 6, inclusive, of this act. A finding or conclusion is final if it has been finally determined on appeal to the appropriate court of the state, if the time for filing such an appeal with respect to the finding or conclusion has expired or if the finding or conclusion is not subject to judicial review.

Sec. 8. (NEW) (*Effective from passage*) Notwithstanding the provisions of sections 5 and 6 of this act, if the court finds that the action was brought by a person who planned and initiated the violation of subsection (a) of section 2 of this act, upon which violation an action was brought, then the court may reduce the share of the proceeds of the action that the person would otherwise receive under section 5 or 6 of this act, taking into account the role of that person in advancing the case to litigation and any relevant circumstances pertaining to the violation. If a person bringing the action is convicted of criminal conduct arising from his or her role in the violation of subsection (a) of section 2 of this act, such person shall be dismissed from the civil action and shall not receive any share of the proceeds of the action. Such dismissal shall not prejudice the right of the Attorney General to continue the action.

Sec. 9. (NEW) (*Effective from passage*) (a) No court shall have jurisdiction over an action brought under section 4 of this act (1) against a member of the General Assembly, a member of the judiciary or an elected officer or department head of the state if the action is based on evidence or information known to the state when the action was brought; (2) that is based upon allegations or transactions that are the subject of a civil suit or an administrative civil penalty proceeding in which the state is already a party; or (3) that is based upon the public disclosure of allegations or transactions (A) in a criminal, civil or administrative hearing, (B) in a report, hearing, audit or investigation, conducted by the General Assembly, a committee of the General Assembly, the Auditors of Public Accounts, a state agency or a quasi-public agency, or (C) from the news media, unless such action is brought by the Attorney General or the person bringing the action is an original source of the information. For the purposes of this subsection, "original source" means an individual who has direct and independent knowledge of the information on which the allegations are based and has voluntarily provided the information to the state before filing an action under section 4 of this act based on such information.

(b) No court shall have jurisdiction over an action brought under section 4 of this act by a person who knew or had reason to know that the Attorney General or another state law enforcement official knew of the allegations or transactions prior to such person filing the action or serving the disclosure of material evidence.

Sec. 10. (NEW) (*Effective from passage*) The state of Connecticut shall not be liable for expenses which a person incurs in bringing an action under sections 4 to 7, inclusive, of this act.

Sec. 11. (NEW) (*Effective from passage*) Any employee who is discharged, demoted, suspended, threatened, harassed or in any other manner discriminated against in the terms and conditions of employment by his or her employer because of lawful acts done by the employee on behalf of the employee or others in furtherance of an action under sections 3 to 7, inclusive, of this act, including

investigation for, initiation of, testimony for or assistance in an action filed or to be filed under sections 3 to 7, inclusive, of this act, shall be entitled to all relief necessary to make the employee whole. Such relief shall include reinstatement with the same seniority status such employee would have had but for the discrimination, two times the amount of any back pay, interest on any back pay and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees. An employee may bring an action in the Superior Court for the relief provided in this section.

Sec. 12. (NEW) (*Effective from passage*) A civil action under sections 3 to 7, inclusive, of this act may not be brought: (1) More than six years after the date on which the violation of subsection (a) of section 2 of this act is committed, or (2) more than three years after the date when facts material to the right of action are known or reasonably should have been known by the official of the state charged with responsibility to act in the circumstances, but in no event more than ten years after the date on which the violation is committed, whichever last occurs.

Sec. 13. (NEW) (*Effective from passage*) In any action brought under sections 3 to 7, inclusive, of this act, the Attorney General or the person initiating such action shall be required to prove all essential elements of the cause of action, including damages, by a preponderance of the evidence.

Sec. 14. (NEW) (*Effective from passage*) Notwithstanding any other provision of law, a final judgment rendered in favor of the state against a defendant in any criminal proceeding charging fraud or false statements, whether upon a verdict after trial or upon a plea of guilty or nolo contendere, shall estop such defendant from denying the essential elements of the offense in any action which involves the same transaction as in the criminal proceeding and which is brought in accordance with the provisions of sections 3 to 7, inclusive, of this act.

Sec. 15. (NEW) (*Effective from passage*) The provisions of sections 1 to 15, inclusive, of this act and subsection (a) of section 4-61dd of the general statutes, as amended by this act, are not exclusive, and the remedies provided for shall be in addition to any other remedies provided for in any other provision of the general statutes or federal law or available under common law.

Sec. 16. Subsection (a) of section 4-61dd of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Any person having knowledge of any matter involving corruption, unethical practices, violation of state laws or regulations, mismanagement, gross waste of funds, abuse of authority or danger to the public safety occurring in any state department or agency or any quasi-public agency, as defined in section 1-120, or any person having knowledge of any matter involving corruption, violation of state or federal laws or regulations, gross waste of funds, abuse of authority or danger to the public safety occurring in any large state contract, may transmit all facts and information in such person's possession concerning such matter to the Auditors of Public Accounts. The Auditors of Public Accounts shall review such matter and report their findings and any recommendations to the Attorney General. Upon receiving such a report, the Attorney General shall make such investigation as the Attorney General deems proper regarding such report and any other information that may be reasonably derived from such report. Prior to conducting an investigation of any information that may be reasonably derived from such report, the Attorney General shall consult with the Auditors of Public Accounts concerning the relationship of such additional information to the report that has been issued pursuant to this subsection. Any such subsequent investigation deemed appropriate by the

Attorney General shall only be conducted with the concurrence and assistance of the Auditors of Public Accounts. At the request of the Attorney General or on their own initiative, the auditors shall assist in the investigation. The Attorney General shall have power to summon witnesses, require the production of any necessary books, papers or other documents and administer oaths to witnesses, where necessary, for the purpose of an investigation pursuant to this section or for the purpose of investigating a suspected violation of subsection (a) of section 2 of this act until such time as the Attorney General files a civil action pursuant to section 3 of this act. Upon the conclusion of the investigation, the Attorney General shall where necessary, report any findings to the Governor, or in matters involving criminal activity, to the Chief State's Attorney. In addition to the exempt records provision of section 1-210, as amended by this act, the Auditors of Public Accounts and the Attorney General shall not, after receipt of any information from a person under the provisions of this section or sections 3 to 7, inclusive, of this act, disclose the identity of such person without such person's consent unless the Auditors of Public Accounts or the Attorney General determines that such disclosure is unavoidable, and may withhold records of such investigation, during the pendency of the investigation.

Sec. 17. Subdivision (13) of subsection (b) of section 1-210 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(13) Records of an investigation or the name of an employee providing information under the provisions of section 4-61dd, as amended by this act, or sections 3 to 7, inclusive, of this act.

Sec. 18. (NEW) (*Effective from passage*) On the thirtieth day after the effective date of this section, and annually thereafter, the Attorney General shall submit a report to the General Assembly and the Governor, in accordance with section 11-4a of the general statutes, that contains the following information:

(1) The number of civil actions the Attorney General filed during the previous calendar year under sections 3 to 7, inclusive, of this act;

(2) The number of civil actions private individuals filed during the previous calendar year under sections 3 to 7, inclusive, of this act, including the number of civil actions that remain under seal, along with (A) the state or federal courts in which such civil actions were filed and the number of civil actions filed in each such court, (B) the state program or agency involved in each civil action, and (C) the number of civil actions filed by private individuals who previously had filed an action based on the same or similar transactions or allegations under the federal False Claims Act, 31 USC 3729-3733, as amended from time to time, or the false claims act of any other state; and

(3) The amount that was recovered by the state under sections 3 to 7, inclusive, of this act in settlement, damages and penalties and the litigation cost, if known, along with the (A) case number and parties for each civil action where there was a recovery, (B) separate amount of any funds recovered for damages, penalties and litigation costs, and (C) per cent of the recovery and the amount that the state paid to any private person who brought the civil action.

Sec. 19. Section 17a-317 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Effective **[**July 1, 2008**]** July 1, 2010, there shall be established a Department on Aging which shall be under the direction and supervision of the Commissioner on Aging who shall be appointed by the

Governor in accordance with the provisions of sections 4-5 to 4-8, inclusive, with the powers and duties prescribed in said sections. The commissioner shall be knowledgeable and experienced with respect to the conditions and needs of elderly persons and shall serve on a full-time basis.

(b) The Commissioner on Aging shall administer all laws under the jurisdiction of the Department on Aging and shall employ the most efficient and practical means for the provision of care and protection of elderly persons. The commissioner shall have the power and duty to do the following: (1) Administer, coordinate and direct the operation of the department; (2) adopt and enforce regulations, in accordance with chapter 54, as necessary to implement the purposes of the department as established by statute; (3) establish rules for the internal operation and administration of the department; (4) establish and develop programs and administer services to achieve the purposes of the department; (5) contract for facilities, services and programs to implement the purposes of the department; (6) act as advocate for necessary additional comprehensive and coordinated programs for elderly persons; (7) assist and advise all appropriate state, federal, local and area planning agencies for elderly persons in the performance of their functions and duties pursuant to federal law and regulation; (8) plan services and programs for elderly persons; (9) coordinate outreach activities by public and private agencies serving elderly persons; and (10) consult and cooperate with area and private planning agencies.

(c) The functions, powers, duties and personnel of the Division of Elderly Services of the Department of Social Services, or any subsequent division or portion of a division with similar functions, powers, personnel and duties, shall be transferred to the Department on Aging pursuant to the provisions of sections 4-38d, 4-38e and 4-39.

(d) Any order or regulation of the Department of Social Services or the Commission on Aging that is in force on July 1, 2008, shall continue in force and effect as an order or regulation until amended, repealed or superseded pursuant to law.

Sec. 20. Section 17b-257a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Qualified aliens, as defined in **[**section**]** Section 431 of Public Law 104-193, admitted into the United States prior to August 22, 1996, shall be eligible for Medicaid provided other conditions of eligibility are met. Qualified aliens admitted into the United States on or after August 22, 1996, shall be eligible for Medicaid subsequent to five years from the date admitted, except if the individual is otherwise qualified for the purposes of state receipt of federal financial participation under Title IV of Public Law 104-193, such individual shall be eligible for Medicaid regardless of the date admitted.

(b) Not later than January 1, 2010, the Commissioner of Social Services shall seek federal funds to provide medical assistance to qualified alien children and pregnant women whose date of admission into the United States is less than five years before the date services are provided.

Sec. 21. Section 17a-50 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is established a Children's Trust Fund, the resources of which shall be used by the council established pursuant to subsection (b) of this section and the Commissioner of Social Services with the advice of the Children's Trust Fund Council to fund programs aimed at preventing child abuse and neglect

and family resource programs. Said fund is intended to be in addition to those resources that would otherwise be appropriated by the state for programs aimed at preventing child abuse and neglect and family resource programs. The Children's Trust Fund Council and the commissioner may apply for and accept any federal funds which are available for a Children's Trust Fund and shall administer such funds in the manner required by federal law. The fund shall receive money from grants and gifts made pursuant to section 17a-18, as amended by this act. The Children's Trust Fund Council and the commissioner may solicit and accept funds, on behalf of the Children's Trust Fund, to be used for the prevention of child abuse and neglect and family resource programs. The Commissioner of Social Services, with the advice of the Children's Trust Fund Council, shall adopt regulations, in accordance with the provisions of chapter 54, to administer the fund and to set eligibility requirements for programs seeking funding. Youth service bureaus may receive funds from the Children's Trust Fund. The Parent Trust Fund, established pursuant to subsection (c) of this section, may receive funds directed to it through the Children's Trust Fund.

(b) There shall be established, within existing resources, a Children's Trust Fund Council which shall be within the Department of **[**Children and Families for administrative purposes only**]** Social Services. The council shall be composed of sixteen members as follows: (1) The Commissioners of Social Services, Education, Children and Families and Public Health, or their designees; (2) a representative of the business community with experience in fund-raising, appointed by the president pro tempore of the Senate; (3) a representative of the business community with experience in fund-raising, appointed by the speaker of the House of Representatives; (4) a representative of the business community with experience in fund-raising, appointed by the minority leader of the House of Representatives; (5) a representative of the business community with experience in fund-raising, appointed by the minority leader of the Senate; (6) a parent, appointed by the majority leader of the House of Representatives; (7) a parent, appointed by the majority leader of the Senate; (8) a parent, appointed by the president pro tempore of the Senate; (9) a person with expertise in child abuse prevention, appointed by the speaker of the House of Representatives; (10) a person with expertise in child abuse prevention, appointed by the minority leader of the House of Representatives; (11) a staff member of a child abuse prevention program, appointed by the minority leader of the Senate; (12) a staff member of a child abuse prevention program, appointed by the majority leader of the House of Representatives; and (13) a pediatrician, appointed by the majority leader of the Senate. The council shall solicit and accept funds, on behalf of the Children's Trust Fund, to be used for the prevention of child abuse and neglect and family resource programs, or on behalf of the Parent Trust Fund, to be used for parent community involvement to improve the health, safety and education of children, and shall make grants to programs pursuant to subsections (a) and (c) of this section. **[**The council may, subject to the provisions of chapter 67, employ an executive director and any necessary staff within available appropriations. **]**

(c) There is established a Parent Trust Fund which shall be used to fund programs aimed at improving the health, safety and education of children by training parents in civic leadership skills and supporting increased, sustained, quality parental engagement in community affairs. The fund shall receive federal or private money from grants and gifts made pursuant to section 17a-18.

(d) On or before July 1, **[**1997**]** 2010, and annually thereafter, the Children's Trust Fund Council and the commissioner shall report, in accordance with the provisions of section 11-4a, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to human services, public health and education concerning the source and amount of funds received by the Children's Trust Fund and the Parent Trust Fund, and the manner in which such funds were administered and disbursed.

Sec. 22. Section 17a-50a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

A grandparent or other relative caregiver who is appointed a guardian of a child or children through the Superior Court and who is not a recipient of subsidized guardianship subsidies under section 17a-126, as amended by this act, or foster care payments from the Department of Children and Families shall, within available appropriations, be eligible to apply for grants under the Kinship Fund and Grandparents and Relatives Respite Fund administered by the Children's Trust Fund Council and the Department of Social Services through the Probate Court.

Sec. 23. Section 17b-12 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Commissioner of Social Services may accept and receive, on behalf of the Department of Social Services or on behalf of the Children's Trust Fund or the Parent Trust Fund established pursuant to section 17a-50, as amended by this act, any bequest or gift of personal property for services for a person who is, or members of whose immediate family are, receiving assistance or services from the Department of Social Services, or both, or for services for a former or potential recipient of assistance from the Department of Social Services or for programs or services described in section 17a-50, as amended by this act. Any federal funds generated by virtue of any such bequest or gift may be used for the extension of services to such person or family members.

Sec. 24. Section 17a-18 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Commissioner of Children and Families may accept and receive on behalf of the department or any institution or facility thereof, **[**or on behalf of the Children's Trust Fund or the Parent Trust Fund established pursuant to section 17a-50,**]** subject to section 4b-22, any bequest, devise or grant made to the department or to any institution or facility thereof **[**, or to the Children's Trust Fund or the Parent Trust Fund,**]** and may hold and use such property for the purpose specified in such bequest, devise or gift.

Sec. 25. Section 17a-56 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Children's Trust Fund Council shall establish the structure for a state-wide system for a Nurturing Families Network, which **[**is intended to demonstrate**]** demonstrates the benefits of preventive services by significantly reducing the abuse and neglect of infants and by enhancing parent-child relationships through hospital-based assessment with home outreach follow-up on infants and their families within families identified as high risk.

[(b) Within available appropriations, the Children's Trust Fund Council shall establish Nurturing Families Network pilot programs in geographic areas which are not currently served by prevention outreach services and which have a high rate of confirmed child abuse and neglect, a high rate of infant mortality and low birthweight infants, or a high rate of teen pregnancy.

(c) The Nurturing Families Network pilot programs shall: (1) Provide a comprehensive risk assessment of all newborn children and their families; (2) identify families that would benefit most from the program; (3)

provide and coordinate support services including, but not limited to, community-based home visiting intervention services, counseling, child care and primary health care services; and (4) provide follow-up and support services until the child attains the age of five. **]**

[(d)**]** (b) The Children's Trust Fund Council shall: (1) Develop the comprehensive risk assessment to be used by the **[**pilot programs**]** Nurturing Families Network's providers; (2) develop the training program, standards, and protocols for the pilot programs; and (3) develop, issue and evaluate requests for proposals to procure the services required by this section. In evaluating the proposals, the Children's Trust Fund Council shall take into consideration the most effective and consistent service delivery system allowing for the continuation of current public and private programs.

[(e)**]** (c) The Children's Trust Fund Council shall establish a data system to enable the programs to document the following information in a standard manner: (1) The level of screening and assessment; (2) profiles of risk and family demographics; (3) the incidence of child abuse and neglect; (4) rates of child development; and (5) any other information the Children's Trust Fund Council deems appropriate.

[(f)**]** (d) The Children's Trust Fund Council shall report to the General Assembly, in accordance with the provisions of section 11-4a, on the establishment, implementation and progress of the Nurturing Families Network, on January first and July first, of each year.

Sec. 26. Section 17a-56a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is established a Nurturing Families Network Advisory Commission to monitor the state-wide system for the Nurturing Families Network developed pursuant to section 17a-56. The commission shall consist of: (1) One member appointed by the speaker of the House of Representatives and one member appointed by the president pro tempore of the Senate, who shall be members of the General Assembly; (2) one member appointed by the minority leader of the House of Representatives and one member appointed by the minority leader of the Senate, who shall be members of the General Assembly; (3) a representative of the Governor; (4) the Commissioner of Children and Families, or his designee; (5) the Commissioner of Social Services, or his designee; (6) the Commissioner of Public Health, or his designee; (7) the Commissioner of Education, or his designee; (8) the Secretary of the Office of Policy and Management, or his designee; (9) the executive director of the Commission on Children, or his designee; (10) a representative of the Child Advocate's Office, who shall be appointed by the minority leader of the House of Representatives; and (11) a representative of the Connecticut Chapter of the National Committee to Prevent Child Abuse who shall be appointed by the majority leader of the Senate.

(b) The commission shall be responsible for: (1) **[**Reviewing the Nurturing Families Network pilot sites and advising the General Assembly on outcomes and recommending program modifications, if necessary; (2) preparing plans to implement**]** Ensuring implementation of the Nurturing Families Network on a state-wide basis; **[**(3)**]** (2) monitoring cooperative, coordinated approaches of state and private agencies involved in the Nurturing Families Network and expanding such approaches to incorporate other, similar activities; **[**(4)**]** (3) studying state and privately funded home visitation programs as an initial step in establishing a cost-effective, collaborative and comprehensive Nurturing Families Network system; **[**(5)**]** (4) monitoring the effects of welfare reform on the factors associated with the risk of child abuse; and **[**(6)**]** (5) building a network of public and private state, regional and local organizations for the purpose of collaborating to strengthen and support families with newborns and children up to the age of five.

Sec. 27. (NEW) (*Effective from passage*) (a) The Department of Social Services shall be the lead state agency for community-based, prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect, in collaboration with the Children's Trust Fund Council, established pursuant to section 17a-50, as amended by this act. The responsibilities of the department shall include, but not be limited to, collaborating with state agencies, hospitals, clinics, schools and community service organizations, with the guidance of the Children's Trust Fund Council, established pursuant to section 17a-50 of the general statutes, as amended by this act, to: (1) Initiate programs to support families at risk for child abuse or neglect; (2) assist organizations to recognize child abuse and neglect; (3) encourage community safety; (4) increase broad-based efforts to prevent child abuse and neglect; (5) create a network of agencies to advance child abuse and neglect prevention; and (6) increase public awareness of child abuse and neglect issues. The department, with the guidance of the Children's Trust Fund Council and subject to available state, federal and private funding, shall be responsible for implementing and maintaining programs and services, including, but not limited to: (A) The Nurturing Families Network, established pursuant to subsection (a) of section 17a-56 of the general statutes, as amended by this act; (B) Family Empowerment Initiative programs; (C) Help Me Grow; (D) the Kinship Fund and Grandparent's Respite Fund; (E) Family School Connection; (F) support services for residents of a Respite Group Home for Girls; (G) legal services on behalf of indigent children; (H) volunteer services; (I) family development training; (J) shaken baby syndrome prevention; and (K) child sexual abuse prevention.

(b) Not later than sixty days after the effective date of this section, the Commissioner of Social Services shall report, in accordance with section 11-4a of the general statutes, to the joint standing committees of the General Assembly, having cognizance of matters relating to human services and appropriations and the budgets of state agencies on the integration of the duties described in subsection (a) of this section into the department.

Sec. 28. (NEW) (*Effective from passage*) Any order, regulation or contract of the Children's Trust Fund Council agency that is in force on September 1, 2009, shall continue in force and effect as an order, regulation or contract of the Department of Social Services until amended, repealed or superseded pursuant to law.

Sec. 29. Subsection (a) of section 4-67x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There shall be a Child Poverty and Prevention Council consisting of the following members or their designees: The Secretary of the Office of Policy and Management, the president pro tempore of the Senate, the speaker of the House of Representatives, the minority leader of the Senate and the minority leader of the House of Representatives, the Commissioners of Children and Families, Social Services, Correction, Developmental Services, Mental Health and Addiction Services, Transportation, Public Health, Education, Economic and Community Development and Health Care Access, the Labor Commissioner, the Chief Court Administrator, the chairperson of the Board of Governors of Higher Education, the Child Advocate, the chairperson of the Children's Trust Fund Council and the executive directors of the Commission on Children and the Commission on Human Rights and Opportunities. The Secretary of the Office of Policy and Management, or the secretary's designee, shall be the chairperson of the council. The council shall (1) develop and promote the implementation of a ten-year plan, to begin June 8, 2004, to reduce the number of children living in poverty in the state by fifty per cent, and (2) within available appropriations, establish prevention goals and recommendations and measure prevention service outcomes in accordance with this

section in order to promote the health and well-being of children and families.

Sec. 30. Subsection (d) of section 17b-265d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) Each full benefit dually eligible Medicare Part D beneficiary shall enroll in a Medicare Part D benchmark plan. To the extent permitted under federal law, the Commissioner of Social Services may be the authorized representative of a full benefit dually eligible Medicare Part D beneficiary for the purpose of enrolling the beneficiary in a Medicare Part D benchmark plan.

Sec. 31. Subsection (c) of section 17b-265d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) A full benefit dually eligible Medicare Part D beneficiary shall be responsible for any Medicare Part D prescription drug copayments imposed pursuant to Public Law 108-173, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, in amounts not to exceed fifteen dollars per month. The department shall be responsible for payment, on behalf of **[**a full benefit dually eligible Medicare Part D**]** such beneficiary, of any Medicare Part D prescription drug copayments **[**imposed pursuant to Public Law 108-173, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003**]** in any month in which such copayment amounts exceed fifteen dollars in the aggregate.

Sec. 32. Subdivision (4) of subsection (f) of section 17b-340 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(4) For the fiscal year ending June 30, 1992, (A) no facility shall receive a rate that is less than the rate it received for the rate year ending June 30, 1991; (B) no facility whose rate, if determined pursuant to this subsection, would exceed one hundred twenty per cent of the state-wide median rate, as determined pursuant to this subsection, shall receive a rate which is five and one-half per cent more than the rate it received for the rate year ending June 30, 1991; and (C) no facility whose rate, if determined pursuant to this subsection, would be less than one hundred twenty per cent of the state-wide median rate, as determined pursuant to this subsection, shall receive a rate which is six and one-half per cent more than the rate it received for the rate year ending June 30, 1991. For the fiscal year ending June 30, 1993, no facility shall receive a rate that is less than the rate it received for the rate year ending June 30, 1992, or six per cent more than the rate it received for the rate year ending June 30, 1992. For the fiscal year ending June 30, 1994, no facility shall receive a rate that is less than the rate it received for the rate year ending June 30, 1993, or six per cent more than the rate it received for the rate year ending June 30, 1993. For the fiscal year ending June 30, 1995, no facility shall receive a rate that is more than five per cent less than the rate it received for the rate year ending June 30, 1994, or six per cent more than the rate it received for the rate year ending June 30, 1994. For the fiscal years ending June 30, 1996, and June 30, 1997, no facility shall receive a rate that is more than three per cent more than the rate it received for the prior rate year. For the fiscal year ending June 30, 1998, a facility shall receive a rate increase that is not more than two per cent more than the rate that the facility received in the prior year. For the fiscal year ending June 30, 1999, a facility shall receive a rate increase that is not more than three per cent more than the rate that the facility received in the prior year and that is not less than one per cent more than the rate that the facility received in the prior year, exclusive of rate increases associated with a wage, benefit and staffing enhancement rate adjustment added for the period from April 1, 1999, to June 30, 1999, inclusive. For the fiscal year ending June 30, 2000, each facility, except a facility with an interim rate or replaced interim rate for the fiscal year

ending June 30, 1999, and a facility having a certificate of need or other agreement specifying rate adjustments for the fiscal year ending June 30, 2000, shall receive a rate increase equal to one per cent applied to the rate the facility received for the fiscal year ending June 30, 1999, exclusive of the facility's wage, benefit and staffing enhancement rate adjustment. For the fiscal year ending June 30, 2000, no facility with an interim rate, replaced interim rate or scheduled rate adjustment specified in a certificate of need or other agreement for the fiscal year ending June 30, 2000, shall receive a rate increase that is more than one per cent more than the rate the facility received in the fiscal year ending June 30, 1999. For the fiscal year ending June 30, 2001, each facility, except a facility with an interim rate or replaced interim rate for the fiscal year ending June 30, 2000, and a facility having a certificate of need or other agreement specifying rate adjustments for the fiscal year ending June 30, 2001, shall receive a rate increase equal to two per cent applied to the rate the facility received for the fiscal year ending June 30, 2000, subject to verification of wage enhancement adjustments pursuant to subdivision (15) of this subsection. For the fiscal year ending June 30, 2001, no facility with an interim rate, replaced interim rate or scheduled rate adjustment specified in a certificate of need or other agreement for the fiscal year ending June 30, 2001, shall receive a rate increase that is more than two per cent more than the rate the facility received for the fiscal year ending June 30, 2000. For the fiscal year ending June 30, 2002, each facility shall receive a rate that is two and one-half per cent more than the rate the facility received in the prior fiscal year. For the fiscal year ending June 30, 2003, each facility shall receive a rate that is two per cent more than the rate the facility received in the prior fiscal year, except that such increase shall be effective January 1, 2003, and such facility rate in effect for the fiscal year ending June 30, 2002, shall be paid for services provided until December 31, 2002, except any facility that would have been issued a lower rate effective July 1, 2002, than for the fiscal year ending June 30, 2002, due to interim rate status or agreement with the department shall be issued such lower rate effective July 1, 2002, and have such rate increased two per cent effective June 1, 2003. For the fiscal year ending June 30, 2004, rates in effect for the period ending June 30, 2003, shall remain in effect, except any facility that would have been issued a lower rate effective July 1, 2003, than for the fiscal year ending June 30, 2003, due to interim rate status or agreement with the department shall be issued such lower rate effective July 1, 2003. For the fiscal year ending June 30, 2005, rates in effect for the period ending June 30, 2004, shall remain in effect until December 31, 2004, except any facility that would have been issued a lower rate effective July 1, 2004, than for the fiscal year ending June 30, 2004, due to interim rate status or agreement with the department shall be issued such lower rate effective July 1, 2004. Effective January 1, 2005, each facility shall receive a rate that is one per cent greater than the rate in effect December 31, 2004. Effective upon receipt of all the necessary federal approvals to secure federal financial participation matching funds associated with the rate increase provided in this subdivision, but in no event earlier than July 1, 2005, and provided the user fee imposed under section 17b-320 is required to be collected, for the fiscal year ending June 30, 2006, the department shall compute the rate for each facility based upon its 2003 cost report filing or a subsequent cost year filing for facilities having an interim rate for the period ending June 30, 2005, as provided under section 17-311-55 of the regulations of Connecticut state agencies. For each facility not having an interim rate for the period ending June 30, 2005, the rate for the period ending June 30, 2006, shall be determined beginning with the higher of the computed rate based upon its 2003 cost report filing or the rate in effect for the period ending June 30, 2005. Such rate shall then be increased by eleven dollars and eighty cents per day except that in no event shall the rate for the period ending June 30, 2006, be thirty-two dollars more than the rate in effect for the period ending June 30, 2005, and for any facility with a rate below one hundred ninety-five dollars per day for the period ending June 30, 2005, such rate for the period ending June 30, 2006, shall not be greater than two hundred seventeen dollars and forty-three cents per day and for any facility with a rate equal to or greater than one hundred ninety-five dollars per day for the period ending June 30, 2005, such

rate for the period ending June 30, 2006, shall not exceed the rate in effect for the period ending June 30, 2005, increased by eleven and one-half per cent. For each facility with an interim rate for the period ending June 30, 2005, the interim replacement rate for the period ending June 30, 2006, shall not exceed the rate in effect for the period ending June 30, 2005, increased by eleven dollars and eighty cents per day plus the per day cost of the user fee payments made pursuant to section 17b-320 divided by annual resident service days, except for any facility with an interim rate below one hundred ninety-five dollars per day for the period ending June 30, 2005, the interim replacement rate for the period ending June 30, 2006, shall not be greater than two hundred seventeen dollars and forty-three cents per day and for any facility with an interim rate equal to or greater than one hundred ninety-five dollars per day for the period ending June 30, 2005, the interim replacement rate for the period ending June 30, 2006, shall not exceed the rate in effect for the period ending June 30, 2005, increased by eleven and one-half per cent. Such July 1, 2005, rate adjustments shall remain in effect unless (i) the federal financial participation matching funds associated with the rate increase are no longer available; or (ii) the user fee created pursuant to section 17b-320 is not in effect. For the fiscal year ending June 30, 2007, each facility shall receive a rate that is three per cent greater than the rate in effect for the period ending June 30, 2006, except any facility that would have been issued a lower rate effective July 1, 2006, than for the rate period ending June 30, 2006, due to interim rate status or agreement with the department, shall be issued such lower rate effective July 1, 2006. For the fiscal year ending June 30, 2008, each facility shall receive a rate that is two and nine-tenths per cent greater than the rate in effect for the period ending June 30, 2007, except any facility that would have been issued a lower rate effective July 1, 2007, than for the rate period ending June 30, 2007, due to interim rate status or agreement with the department, shall be issued such lower rate effective July 1, 2007. For the fiscal year ending June 30, 2009, rates in effect for the period ending June 30, 2008, shall remain in effect until June 30, 2009, except any facility that would have been issued a lower rate for the fiscal year ending June 30, 2009, due to interim rate status or agreement with the department shall be issued such lower rate. For the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect for the period ending June 30, 2009, shall remain in effect until June 30, 2011, except any facility that would have been issued a lower rate for the fiscal year ending June 30, 2010, or the fiscal year ending June 30, 2011, due to interim rate status or agreement with the department, shall be issued such lower rate. The Commissioner of Social Services shall add fair rent increases to any other rate increases established pursuant to this subdivision for a facility which has undergone a material change in circumstances related to fair rent, except for the fiscal year ending June 30, 2010, and the fiscal year ending June 30, 2011, such fair rent increases shall only be provided to facilities with an approved certificate of need pursuant to section 17b-352, 17b-353, 17b-354 or 17b-355. Interim rates may take into account reasonable costs incurred by a facility, including wages and benefits.

Sec. 33. Subsection (a) of section 17b-492 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Eligibility for participation in the program shall be limited to any resident (1) who is sixty-five years of age or older or who is disabled, (2) whose current annual income at the time of application or redetermination, if unmarried, is less than twenty thousand eight hundred dollars or whose annual income, if married, when combined with that of the resident's spouse is less than twenty-eight thousand one hundred dollars, (3) who is not insured under a policy which provides full or partial coverage for prescription drugs once a deductible is met, except for a Medicare prescription drug discount card endorsed by the Secretary of Health and Human Services in accordance with Public Law 108-173, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, or coverage under Medicare Part D pursuant to said act, and

(4) on and after September 15, 1991, who pays an annual **[**thirty-dollar**]** forty-five-dollar registration fee to the Department of Social Services. On January 1, **[**1998**]** 2012, and annually thereafter, the commissioner shall increase the income limits established under this subsection over those of the previous fiscal year to reflect the annual inflation adjustment in Social Security income, if any. Each such adjustment shall be determined to the nearest one hundred dollars. On and after October 1, 2009, new applications to participate in the ConnPACE program may be accepted only from the fifteenth day of November through the thirtieth day of December each year, except that individuals may apply within thirty-one days of (A) reaching sixty-five years of age, or (B) becoming eligible for Social Security Disability Income or Supplemental Security Income.

Sec. 34. Section 17b-491a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Commissioner of Social Services may require prior authorization of any prescription for a drug covered under **[**the Medicaid, state-administered general assistance, or ConnPACE program,**]** a medical assistance program administered by the Department of Social Services, including an over-the-counter drug. **[**including (1) any early refill of a prescription drug covered under any of said programs; and (2) brand name drug products when a chemically equivalent generic drug product substitution is available. **]** The authorization for a brand name drug product shall be valid for one year from the date the prescription is first filled. The Commissioner of Social Services shall establish a procedure by which prior authorization under this subsection shall be obtained from an independent pharmacy consultant acting on behalf of the Department of Social Services, under an administrative services only contract. **[**If prior authorization is not granted or denied within two hours of receipt by the commissioner of the request for prior authorization, it shall be deemed granted. **]**

(b) **[**The Commissioner of Social Services, to increase cost-efficiency or enhance access to a particular prescription drug, may designate specific suppliers of a prescription drug from which a dispensing pharmacy shall order the prescription to be delivered to the pharmacy and billed by the supplier to the department. For each prescription dispensed through designated suppliers, the department shall pay the dispensing pharmacy a handling fee not to exceed four hundred per cent of the dispensing fee established pursuant to section 17b-280. In no event shall the provisions of this subsection be construed to allow the commissioner to purchase all prescription drugs covered under the Medicaid, state-administered general assistance, and ConnPACE programs under one contract. **]** When prior authorization is required for coverage of a prescription drug under a medical assistance program administered by the Department of Social Services and a pharmacist is unable to obtain the prescribing physician's authorization at the time the prescription is presented to be filled, the pharmacist shall dispense a one-time fourteen-day supply. The commissioner shall process a prior authorization request from a physician or pharmacist not later than two hours after the commissioner's receipt of the request. If prior authorization is not granted or denied within two hours of receipt by the commissioner of the request for prior authorization, it shall be deemed granted.

(c) Notwithstanding the provisions of section 17b-262 and any regulation adopted thereunder, on or after July 1, 2000, the Commissioner of Social Services may establish a schedule of maximum quantities of oral dosage units permitted to be dispensed at one time for prescriptions covered under **[**the Medicaid and state-administered general assistance programs**]** a medical assistance program administered by the Department of Social Services, including prescriptions for over-the-counter drugs, based on a review of utilization patterns.

(d) A [plan or] schedule established pursuant to subsection [(a), (b) or] (c) of this section and on and after July 1, 2005, any revisions thereto shall be submitted to the joint standing committees of the General Assembly having cognizance of matters relating to public health, human services and appropriations and the budgets of state agencies. Within sixty days of receipt of such a [plan or] schedule or revisions thereto, said joint standing committees of the General Assembly shall approve or deny the plan or schedule or any revisions thereto and advise the commissioner of their approval or denial of the [plan or] schedule or any revisions thereto. The [plan or] schedule or any revisions thereto shall be deemed approved unless all committees vote to reject such [plan or] schedule or revisions thereto within sixty days of receipt of such [plan or] schedule or revisions thereto.

Sec. 35. Section 19a-507 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of chapter 368z, New Horizons, Inc. , a nonprofit, nonsectarian organization, or a subsidiary organization controlled by New Horizons, Inc. , is authorized to construct and operate an independent living facility for severely physically disabled adults, in the town of Farmington, provided such facility shall be constructed in accordance with applicable building codes. The Farmington Housing Authority, or any issuer acting on behalf of said authority, subject to the provisions of this section, may issue tax-exempt revenue bonds on a competitive or negotiated basis for the purpose of providing construction and permanent mortgage financing for the facility in accordance with Section 103 of the Internal Revenue Code. Prior to the issuance of such bonds, plans for the construction of the facility shall be submitted to and approved by the Office of Health Care Access. The office shall approve or disapprove such plans within thirty days of receipt thereof. If the plans are disapproved they may be resubmitted. Failure of the office to act on the plans within such thirty-day period shall be deemed approval thereof. The payments to residents of the facility who are eligible for assistance under the state supplement program for room and board and necessary services, shall be determined annually to be effective July first of each year. Such payments shall be determined on a basis of a reasonable payment for necessary services, which basis shall take into account as a factor the costs of providing those services and such other factors as the commissioner deems reasonable, including anticipated fluctuations in the cost of providing services. Such payments shall be calculated in accordance with the manner in which rates are calculated pursuant to subsection (h) of section 17b-340, as amended by this act, and the cost related reimbursement system pursuant to said section except that efficiency incentives shall not be granted. The commissioner may adjust such rates to account for the availability of personal care services for residents under the Medicaid program. The commissioner shall, upon submission of a request, allow actual debt service, comprised of principal and interest, in excess of property costs allowed pursuant to section 17-313b-5 of the regulations of Connecticut state agencies, provided such debt service terms and amounts are reasonable in relation to the useful life and the base value of the property. The cost basis for such payment shall be subject to audit, and a recomputation of the rate shall be made based upon such audit. [The rate in effect June 30, 1991, shall remain in effect through June 30, 1992, except that if the rate would have been decreased effective July 1, 1991, it shall be decreased.] The facility shall report on a fiscal year ending on the thirtieth day of September on forms provided by the commissioner. The required report shall be received by the commissioner no later than December thirty-first of each year. The Department of Social Services may use its existing utilization review procedures to monitor utilization of the facility. If the facility is aggrieved by any decision of the commissioner, the facility may, within ten days, after written notice thereof from the commissioner, obtain by written request to the commissioner, a hearing on all items of aggrievement. If the facility is aggrieved by the decision of the commissioner after such hearing, the facility may appeal to the

Superior Court in accordance with the provisions of section 4-183.

(b) The Commissioner of Social Services may provide for work incentive programs for residents of the facility.

Sec. 36. Subsection (b) of section 17b-104 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

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

Sec. 37. Subsection (a) of section 17b-106 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) On January 1, 2006, and on each January first thereafter, the Commissioner of Social Services shall increase the unearned income disregard for recipients of the state supplement to the federal Supplemental Security Income Program by an amount equal to the federal cost-of-living adjustment, if any, provided to recipients of federal Supplemental Security Income Program benefits for the corresponding calendar year. On July 1, 1989, and annually thereafter, the commissioner shall increase the adult payment standards over those of the previous fiscal year for the state supplement to the federal Supplemental Security Income Program by the percentage increase, if any, in the most recent calendar year average in the consumer price index for urban consumers over the average for the previous calendar year, provided the annual increase, if any, shall not exceed five per cent, except that the adult payment standards for the fiscal years ending June 30, 1993, June 30, 1994, June 30, 1995, June 30, 1996, June 30, 1997, June 30, 1998, June 30, 1999, June 30, 2000, June 30, 2001, June 30, 2002, June 30, 2003, June 30, 2004, June 30, 2005, June 30, 2006, June 30, 2007, June 30, 2008, **[**and**]** June 30, 2009, June 30, 2010, and June 30, 2011, shall not be increased. Effective October 1, 1991, the coverage of excess utility costs for recipients of the state supplement to the federal Supplemental Security Income Program is eliminated. Notwithstanding the provisions of this section, the commissioner may increase the personal needs allowance component of the adult payment standard as necessary to meet federal maintenance of effort requirements.

Sec. 38. Subsection (f) of section 17b-274d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(f) Nonpreferred drugs in the classes of drugs included on the preferred drug lists shall be subject to prior authorization. Prior authorization is not required for any mental-health-related drug that has been filled or refilled, in any dosage, at least one time in the one-year period prior to the date the individual presents a prescription for the drug at a pharmacy. If prior authorization is granted for a drug not included on a preferred drug list, the authorization shall be valid for one year from the date the prescription is first filled. **[**Mental-health-related and antiretroviral**]** Antiretroviral classes of drugs shall not be included on the preferred drug lists.

Sec. 39. Subdivision (11) of subsection (f) of section 17b-340 of the general statutes is repealed and the

following is substituted in lieu thereof (*Effective from passage*):

(11) For the fiscal **[**years**]** year ending June 30, **[**1992, through June 30, 2007**]** 2011, and any succeeding fiscal year, one-half of the initial amount payable in June by the state to a facility pursuant to this subsection shall be paid to the facility in June and the balance of such amount shall be paid in July.

Sec. 40. Subsection (g) of section 17b-340 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(g) For the fiscal year ending June 30, 1993, any intermediate care facility for the mentally retarded with an operating cost component of its rate in excess of one hundred forty per cent of the median of operating cost components of rates in effect January 1, 1992, shall not receive an operating cost component increase. For the fiscal year ending June 30, 1993, any intermediate care facility for the mentally retarded with an operating cost component of its rate that is less than one hundred forty per cent of the median of operating cost components of rates in effect January 1, 1992, shall have an allowance for real wage growth equal to thirty per cent of the increase determined in accordance with subsection (q) of section 17-311-52 of the regulations of Connecticut state agencies, provided such operating cost component shall not exceed one hundred forty per cent of the median of operating cost components in effect January 1, 1992. Any facility with real property other than land placed in service prior to October 1, 1991, shall, for the fiscal year ending June 30, 1995, receive a rate of return on real property equal to the average of the rates of return applied to real property other than land placed in service for the five years preceding October 1, 1993. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, the rate of return on real property for property items shall be revised every five years. The commissioner shall, upon submission of a request, allow actual debt service, comprised of principal and interest, in excess of property costs allowed pursuant to section 17-311-52 of the regulations of Connecticut state agencies, provided such debt service terms and amounts are reasonable in relation to the useful life and the base value of the property. For the fiscal year ending June 30, 1995, and any succeeding fiscal year, the inflation adjustment made in accordance with subsection (p) of section 17-311-52 of the regulations of Connecticut state agencies shall not be applied to real property costs. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, the allowance for real wage growth, as determined in accordance with subsection (q) of section 17-311-52 of the regulations of Connecticut state agencies, shall not be applied. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, no rate shall exceed three hundred seventy-five dollars per day unless the commissioner, in consultation with the Commissioner of Developmental Services, determines after a review of program and management costs, that a rate in excess of this amount is necessary for care and treatment of facility residents. For the fiscal year ending June 30, 2002, rate period, the Commissioner of Social Services shall increase the inflation adjustment for rates made in accordance with subsection (p) of section 17-311-52 of the regulations of Connecticut state agencies to update allowable fiscal year 2000 costs to include a three and one-half per cent inflation factor. For the fiscal year ending June 30, 2003, rate period, the commissioner shall increase the inflation adjustment for rates made in accordance with subsection (p) of section 17-311-52 of the regulations of Connecticut state agencies to update allowable fiscal year 2001 costs to include a one and one-half per cent inflation factor, except that such increase shall be effective November 1, 2002, and such facility rate in effect for the fiscal year ending June 30, 2002, shall be paid for services provided until October 31, 2002, except any facility that would have been issued a lower rate effective July 1, 2002, than for the fiscal year ending June 30, 2002, due to interim rate status or agreement with the department shall be issued such lower rate effective July 1, 2002, and have such rate updated effective November 1, 2002, in accordance with applicable statutes and regulations. For the fiscal year

ending June 30, 2004, rates in effect for the period ending June 30, 2003, shall remain in effect, except any facility that would have been issued a lower rate effective July 1, 2003, than for the fiscal year ending June 30, 2003, due to interim rate status or agreement with the department shall be issued such lower rate effective July 1, 2003. For the fiscal year ending June 30, 2005, rates in effect for the period ending June 30, 2004, shall remain in effect until September 30, 2004. Effective October 1, 2004, each facility shall receive a rate that is five per cent greater than the rate in effect September 30, 2004. Effective upon receipt of all the necessary federal approvals to secure federal financial participation matching funds associated with the rate increase provided in subdivision (4) of subsection (f) of this section, but in no event earlier than October 1, 2005, and provided the user fee imposed under section 17b-320 is required to be collected, each facility shall receive a rate that is four per cent more than the rate the facility received in the prior fiscal year, except any facility that would have been issued a lower rate effective October 1, 2005, than for the fiscal year ending June 30, 2005, due to interim rate status or agreement with the department, shall be issued such lower rate effective October 1, 2005. Such rate increase shall remain in effect unless: (A) The federal financial participation matching funds associated with the rate increase are no longer available; or (B) the user fee created pursuant to section 17b-320 is not in effect. For the fiscal year ending June 30, 2007, rates in effect for the period ending June 30, 2006, shall remain in effect until September 30, 2006, except any facility that would have been issued a lower rate effective July 1, 2006, than for the fiscal year ending June 30, 2006, due to interim rate status or agreement with the department, shall be issued such lower rate effective July 1, 2006. Effective October 1, 2006, no facility shall receive a rate that is more than three per cent greater than the rate in effect for the facility on September 30, 2006, except any facility that would have been issued a lower rate effective October 1, 2006, due to interim rate status or agreement with the department, shall be issued such lower rate effective October 1, 2006. For the fiscal year ending June 30, 2008, each facility shall receive a rate that is two and nine-tenths per cent greater than the rate in effect for the period ending June 30, 2007, except any facility that would have been issued a lower rate effective July 1, 2007, than for the rate period ending June 30, 2007, due to interim rate status, or agreement with the department, shall be issued such lower rate effective July 1, 2007. For the fiscal year ending June 30, 2009, rates in effect for the period ending June 30, 2008, shall remain in effect until June 30, 2009, except any facility that would have been issued a lower rate for the fiscal year ending June 30, 2009, due to interim rate status or agreement with the department, shall be issued such lower rate. For the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect for the period ending June 30, 2009, shall remain in effect until June 30, 2011, except any facility that would have been issued a lower rate for the fiscal year ending June 30, 2010, or the fiscal year ending June 30, 2011, due to interim rate status or agreement with the department, shall be issued such lower rate.

Sec. 41. Subdivision (1) of subsection (h) of section 17b-340 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(h) (1) For the fiscal year ending June 30, 1993, any residential care home with an operating cost component of its rate in excess of one hundred thirty per cent of the median of operating cost components of rates in effect January 1, 1992, shall not receive an operating cost component increase. For the fiscal year ending June 30, 1993, any residential care home with an operating cost component of its rate that is less than one hundred thirty per cent of the median of operating cost components of rates in effect January 1, 1992, shall have an allowance for real wage growth equal to sixty-five per cent of the increase determined in accordance with subsection (q) of section 17-311-52 of the regulations of Connecticut state agencies, provided such operating cost component shall not exceed one hundred thirty per cent of the median of operating cost components in effect January 1, 1992. Beginning with the fiscal year ending June 30, 1993,

for the purpose of determining allowable fair rent, a residential care home with allowable fair rent less than the twenty-fifth percentile of the state-wide allowable fair rent shall be reimbursed as having allowable fair rent equal to the twenty-fifth percentile of the state-wide allowable fair rent. Beginning with the fiscal year ending June 30, 1997, a residential care home with allowable fair rent less than three dollars and ten cents per day shall be reimbursed as having allowable fair rent equal to three dollars and ten cents per day. Property additions placed in service during the cost year ending September 30, 1996, or any succeeding cost year shall receive a fair rent allowance for such additions as an addition to three dollars and ten cents per day if the fair rent for the facility for property placed in service prior to September 30, 1995, is less than or equal to three dollars and ten cents per day. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, the allowance for real wage growth, as determined in accordance with subsection (q) of section 17-311-52 of the regulations of Connecticut state agencies, shall not be applied. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, the inflation adjustment made in accordance with subsection (p) of section 17-311-52 of the regulations of Connecticut state agencies shall not be applied to real property costs. Beginning with the fiscal year ending June 30, 1997, minimum allowable patient days for rate computation purposes for a residential care home with twenty-five beds or less shall be eighty-five per cent of licensed capacity. Beginning with the fiscal year ending June 30, 2002, for the purposes of determining the allowable salary of an administrator of a residential care home with sixty beds or less the department shall revise the allowable base salary to thirty-seven thousand dollars to be annually inflated thereafter in accordance with section 17-311-52 of the regulations of Connecticut state agencies. The rates for the fiscal year ending June 30, 2002, shall be based upon the increased allowable salary of an administrator, regardless of whether such amount was expended in the 2000 cost report period upon which the rates are based. Beginning with the fiscal year ending June 30, 2000, the inflation adjustment for rates made in accordance with subsection (p) of section 17-311-52 of the regulations of Connecticut state agencies shall be increased by two per cent, and beginning with the fiscal year ending June 30, 2002, the inflation adjustment for rates made in accordance with subsection (c) of said section shall be increased by one per cent. Beginning with the fiscal year ending June 30, 1999, for the purpose of determining the allowable salary of a related party, the department shall revise the maximum salary to twenty-seven thousand eight hundred fifty-six dollars to be annually inflated thereafter in accordance with section 17-311-52 of the regulations of Connecticut state agencies and beginning with the fiscal year ending June 30, 2001, such allowable salary shall be computed on an hourly basis and the maximum number of hours allowed for a related party other than the proprietor shall be increased from forty hours to forty-eight hours per work week. For the fiscal year ending June 30, 2005, each facility shall receive a rate that is two and one-quarter per cent more than the rate the facility received in the prior fiscal year, except any facility that would have been issued a lower rate effective July 1, 2004, than for the fiscal year ending June 30, 2004, due to interim rate status or agreement with the department shall be issued such lower rate effective July 1, 2004. Effective upon receipt of all the necessary federal approvals to secure federal financial participation matching funds associated with the rate increase provided in subdivision (4) of subsection (f) of this section, but in no event earlier than October 1, 2005, and provided the user fee imposed under section 17b-320 is required to be collected, each facility shall receive a rate that is determined in accordance with applicable law and subject to appropriations, except any facility that would have been issued a lower rate effective October 1, 2005, than for the fiscal year ending June 30, 2005, due to interim rate status or agreement with the department, shall be issued such lower rate effective October 1, 2005. Such rate increase shall remain in effect unless: (A) The federal financial participation matching funds associated with the rate increase are no longer available; or (B) the user fee created pursuant to section 17b-320 is not in effect. For the fiscal year ending June 30, 2007, rates in effect for the period ending June 30, 2006, shall remain in effect until September 30, 2006, except any facility that would have been issued a lower rate effective July 1, 2006,

than for the fiscal year ending June 30, 2006, due to interim rate status or agreement with the department, shall be issued such lower rate effective July 1, 2006. Effective October 1, 2006, no facility shall receive a rate that is more than four per cent greater than the rate in effect for the facility on September 30, 2006, except for any facility that would have been issued a lower rate effective October 1, 2006, due to interim rate status or agreement with the department, shall be issued such lower rate effective October 1, 2006. For the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect for the period ending June 30, 2009, shall remain in effect until June 30, 2011, except any facility that would have been issued a lower rate for the fiscal year ending June 30, 2010, or the fiscal year ending June 30, 2011, due to interim rate status or agreement with the department, shall be issued such lower rate, except (i) any facility that would have been issued a lower rate for the fiscal year ending June 30, 2010, or the fiscal year ending June 30, 2011, due to interim rate status or agreement with the Commissioner of Social Services shall be issued such lower rate; and (ii) the commissioner may increase a facility's rate for reasonable costs associated with such facility's compliance with the provisions of section 44 of this act concerning the administration of medication by unlicensed personnel.

Sec. 42. Subsection (a) of section 17b-244 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The room and board component of the rates to be paid by the state to private facilities and facilities operated by regional education service centers which are licensed to provide residential care pursuant to section 17a-227, but not certified to participate in the Title XIX Medicaid program as intermediate care facilities for persons with mental retardation, shall be determined annually by the Commissioner of Social Services, except that rates effective April 30, 1989, shall remain in effect through October 31, 1989. Any facility with real property other than land placed in service prior to July 1, 1991, shall, for the fiscal year ending June 30, 1995, receive a rate of return on real property equal to the average of the rates of return applied to real property other than land placed in service for the five years preceding July 1, 1993. For the fiscal year ending June 30, 1996, and any succeeding fiscal year, the rate of return on real property for property items shall be revised every five years. The commissioner shall, upon submission of a request by such facility, allow actual debt service, comprised of principal and interest, on the loan or loans in lieu of property costs allowed pursuant to section 17-313b-5 of the regulations of Connecticut state agencies, whether actual debt service is higher or lower than such allowed property costs, provided such debt service terms and amounts are reasonable in relation to the useful life and the base value of the property. In the case of facilities financed through the Connecticut Housing Finance Authority, the commissioner shall allow actual debt service, comprised of principal, interest and a reasonable repair and replacement reserve on the loan or loans in lieu of property costs allowed pursuant to section 17-313b-5 of the regulations of Connecticut state agencies, whether actual debt service is higher or lower than such allowed property costs, provided such debt service terms and amounts are determined by the commissioner at the time the loan is entered into to be reasonable in relation to the useful life and base value of the property. The commissioner may allow fees associated with mortgage refinancing provided such refinancing will result in state reimbursement savings, after comparing costs over the terms of the existing proposed loans. For the fiscal year ending June 30, 1992, the inflation factor used to determine rates shall be one-half of the gross national product percentage increase for the period between the midpoint of the cost year through the midpoint of the rate year. For fiscal year ending June 30, 1993, the inflation factor used to determine rates shall be two-thirds of the gross national product percentage increase from the midpoint of the cost year to the midpoint of the rate year. For the fiscal years ending June 30, 1996, and June 30, 1997, no inflation factor shall be applied in determining rates. The Commissioner of Social Services shall prescribe uniform forms on which

such facilities shall report their costs. Such rates shall be determined on the basis of a reasonable payment for necessary services. Any increase in grants, gifts, fund-raising or endowment income used for the payment of operating costs by a private facility in the fiscal year ending June 30, 1992, shall be excluded by the commissioner from the income of the facility in determining the rates to be paid to the facility for the fiscal year ending June 30, 1993, provided any operating costs funded by such increase shall not obligate the state to increase expenditures in subsequent fiscal years. Nothing contained in this section shall authorize a payment by the state to any such facility in excess of the charges made by the facility for comparable services to the general public. The service component of the rates to be paid by the state to private facilities and facilities operated by regional education service centers which are licensed to provide residential care pursuant to section 17a-227, but not certified to participate in the Title XIX Medicaid programs as intermediate care facilities for persons with mental retardation, shall be determined annually by the Commissioner of Developmental Services in accordance with section 17b-244a. For the fiscal year ending June 30, 2008, no facility shall receive a rate that is more than two per cent greater than the rate in effect for the facility on June 30, 2007, except any facility that would have been issued a lower rate effective July 1, 2007, due to interim rate status or agreement with the department, shall be issued such lower rate effective July 1, 2007. For the fiscal year ending June 30, 2009, no facility shall receive a rate that is more than two per cent greater than the rate in effect for the facility on June 30, 2008, except any facility that would have been issued a lower rate effective July 1, 2008, due to interim rate status or agreement with the department, shall be issued such lower rate effective July 1, 2008. For the fiscal years ending June 30, 2010, and June 30, 2011, rates in effect for the period ending June 30, 2009, shall remain in effect until June 30, 2011, except that any facility that would have been issued a lower rate for the fiscal years ending June 30, 2010, or June 30, 2011, due to interim rate status or agreement with the department, shall be issued such lower rate.

Sec. 43. Section 17b-372 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section, "small house nursing home" means an alternative nursing home facility that (1) consists of one or more units that are designed and modeled as a private home, (2) houses no more than ten individuals in each unit, (3) includes private rooms and bathrooms, (4) provides for an increased role for support staff in the care of residents, (5) incorporates a philosophy of individualized care, and (6) is licensed as a nursing home under chapter 368v.

(b) The Commissioner of Social Services shall establish, within available appropriations, a pilot program to support the development of up to ten small house nursing homes in the state in order to improve the quality of life for nursing home residents and to support a goal of providing nursing home care in a more home-like and less institution-like setting.

(c) Any existing chronic and convalescent nursing home or rest home with nursing supervision may apply to the commissioner for approval of a proposal to develop a small house nursing home and to relocate Medicaid certified beds from its facility to such small house nursing home. The commissioner shall require each small house nursing home under the pilot program to seek certification to participate in the Title XVIII and Title XIX programs and may establish additional requirements for such small house nursing homes. Not later than October 1, 2008, the commissioner shall develop guidelines relating to the design specifications and requirements for small house nursing homes for purposes of the pilot program, and shall submit a copy of the guidelines to the joint standing committee of the General Assembly having cognizance of matters relating to human services. Not later than thirty days after receipt of such guidelines, said joint

standing committee may advise the commissioner of its approval, denial or modifications, if any, of such guidelines. If said joint standing committee does not act during such thirty-day period, such guidelines shall be deemed approved. If approved, the commissioner shall make such guidelines available to applicants. Each chronic and convalescent nursing home or rest home with nursing supervision submitting a proposal shall provide: (1) A description of the proposed project; (2) information concerning the financial and technical capacity of the applicant to undertake the proposed project; (3) a project budget; (4) information that the relocation of beds shall result in a reduction in the number of nursing facility beds in the state; and (5) any additional information the commissioner deems necessary.

(d) The commissioner, in consultation with the Long-Term Care Planning Committee, established pursuant to section 17b-337, shall evaluate proposals received pursuant to subsection (c) of this section and may approve, after consultation with and approval of the Secretary of the Office of Policy and Management, up to ten proposals. The commissioner shall give preference to proposals that include the use of fuel cells or other energy technologies that promote energy efficiency in such small house nursing home. The commissioner **[**shall reserve two out of the ten approvals for**]** may give preference to proposals to develop a small house nursing home in a distressed municipality, as defined in section 32-9p, with a population greater than one hundred thousand persons.

(e) Notwithstanding the provisions of subsection (d) of this section, the commissioner shall approve no more than one project through June 30, 2011. The total number of beds under such project shall not exceed two-hundred eighty beds.

[(e)**]** (f) A small house nursing home developed under this section shall comply with the provisions of sections 17b-352 to 17b-354, inclusive.

Sec. 44. Section 19a-495a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) **[**On or before July 1, 2000, the**]** (1) The Commissioner of Public Health shall adopt regulations, **[**in accordance with the provisions of chapter 54, to allow unlicensed personnel in**]** as provided in subsection (d) of this section, to require each residential care **[**homes**]** home, as defined in section 19a-490, that admits residents requiring assistance with medication administration, to (A) designate unlicensed personnel to obtain certification for the administration of medication, and (B) to ensure that such unlicensed personnel receive such certification.

(2) The regulations shall establish criteria to be used by such homes in determining (A) the appropriate number of unlicensed personnel who shall obtain such certification, and (B) training requirements, including on-going training requirements **[**, that**]** for such certification. Training requirements shall include, but **[**are**]** shall not be limited to: Initial orientation, resident rights, identification of the types of medication that may be administered by unlicensed personnel, behavioral management, personal care, nutrition and food safety, and health and safety in general.

(b) Each residential care home, as defined in section 19a-490, shall ensure that, on or before January 1, 2010, an appropriate number of unlicensed personnel, as determined by the residential care home, obtain certification for the administration of medication. Certification of such personnel shall be in accordance with regulations adopted pursuant to this section. Unlicensed personnel obtaining such certification may administer medications that are not administered by injection to residents of such homes, unless a resident's

physician specifies that a medication only be administered by licensed personnel.

[(b)**]** (c) On and after October 1, 2007, unlicensed assistive personnel employed in residential care homes, as defined in section 19a-490, may (1) obtain and document residents' blood pressures and temperatures with digital medical instruments that (A) contain internal decision-making electronics, microcomputers or special software that allow the instruments to interpret physiologic signals, and (B) do not require the user to employ any discretion or judgment in their use; (2) obtain and document residents' weight; and (3) assist residents in the use of glucose monitors to obtain and document their blood glucose levels.

(d) The Commissioner of Public Health may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 45. Section 29-1g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Commissioner of Public Safety may appoint not more than **[**four**]** six persons nominated by the Commissioner of Social Services as special policemen in the Bureau of Child Support Enforcement of the Department of Social Services for the service of any warrant or capias mittimus issued by the courts on child support matters. Such appointees, having been sworn, shall serve at the pleasure of the Commissioner of Public Safety and, during such tenure, shall have all the powers conferred on state policemen and state marshals.

Sec. 46. Section 93 of public act 09-3 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

[(a) The Commissioner of Social Services shall forward to a state marshal for service any subpoena, summons, warrant or court order relating to proceedings initiated by said commissioner, provided such subpoena, summons, warrant or court order has had no action taken upon it within the past fourteen days and the underlying proceedings remain unresolved. **]**

[(b) To resolve any backlog, commencing**]** Commencing October 1, 2009, and monthly thereafter, the Commissioner of Social Services shall forward to state marshals for service not more than one hundred fifty subpoenas, summons, warrants or court orders relating to proceedings initiated by said commissioner that have had no action taken upon them within the past **[**thirty**]** sixty days for the purpose of resolving any back log. Any such subpoena, summons, warrant or court order remaining with a state marshal for sixty days after the marshal's receipt shall be returned to the commissioner within two business days.

Sec. 47. Subsection (f) of section 17b-492 of the general statutes, as amended by section 15 of public act 09-2, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(f) Each ConnPACE applicant or recipient who is eligible for Medicare Part D shall enroll in a Medicare Part D benchmark plan. The Commissioner of Social Services may be the authorized representative of a ConnPACE applicant or recipient for purposes of: (1) Enrolling in a Medicare Part D benchmark plan, (2) submitting an application to the Social Security Administration to obtain the low income subsidy benefit

provided under Public Law 108-173, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, or (3) facilitating the enrollment in a Medicare savings program of any such applicant or recipient who elects to participate in said program. The applicant or recipient shall have the opportunity to select a Medicare Part D benchmark plan and shall be notified of such opportunity by the commissioner. The applicant or recipient, prior to selecting a Medicare Part D benchmark plan, shall have the opportunity to consult with the commissioner, or the commissioner's designated agent, concerning the selection of a Medicare Part D benchmark plan that best meets the prescription drug needs of such applicant or recipient. In the event that such applicant or recipient does not select a Medicare Part D benchmark plan within a reasonable period of time, as determined by the commissioner, the commissioner shall enroll the applicant or recipient in a Medicare Part D benchmark plan designated by the commissioner in accordance with said act. The applicant or recipient shall appoint the commissioner as such applicant's or recipient's representative for the purpose of appealing any denial of Medicare Part D benefits and for any other purpose allowed under said act and deemed necessary by the commissioner.

Sec. 48. (NEW) (*Effective from passage*) (a) All nonemergency dental services provided under the Department of Social Services' dental programs, as described in section 17b-282b of the general statutes, shall be subject to prior authorization. Nonemergency services that are exempt from the prior authorization process shall include diagnostic, prevention, basic restoration procedures and nonsurgical extractions that are consistent with standard and reasonable dental practices. The commissioner may recoup payments for services that are determined not to be for an emergency condition or otherwise in excess of what is medically necessary. The commissioner shall periodically, but not less than quarterly, review payments for emergency dental services and basic restoration procedures for appropriateness of payment. For the purposes of this section, "emergency condition" means a dental condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate dental attention to result in placing the health of the individual, or with respect to a pregnant woman, the health of the woman or her unborn child, in serious jeopardy, cause serious impairment to body functions or cause serious dysfunction of any body organ or part.

(b) The Commissioner of Social Services may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 49. Section 17b-282b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

[(a)**]** Not later than July 1, 2004, and prior to the implementation of a state-wide dental plan that provides for the administration of the dental services portion of the department's medical assistance, the Commissioner of Social Services shall amend the federal waiver approved pursuant to Section 1915(b) of the Social Security Act. Such waiver amendment shall be submitted to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies in accordance with the provisions of section 17b-8, as amended by this act.

[(b) Prior to the implementation of a state-wide dental plan that provides for the administration of the dental services portion of the department's medical assistance program, the Commissioner of Social Services shall

review eliminating prior authorization requirements for basic and routine dental services. In the event the commissioner adopts regulations to eliminate such prior authorization requirements, the commissioner may implement policies and procedures for the purposes of this subsection while in the process of adopting such regulations, provided the commissioner prints notice of intention to adopt the regulations in the Connecticut Law Journal not later than twenty days after implementing the policies and procedures. **]**

Sec. 50. (NEW) (*Effective from passage*) The Commissioner of Social Services shall submit notice of any proposed amendment to the Medicaid state plan to the joint standing committees of the General Assembly having cognizance of matters related to human services and appropriations prior to submission of such amendment to the federal government.

Sec. 51. Section 17b-749 of the general statutes is amended by adding subsection (g) as follows (*Effective from passage*):

(NEW) (g) The commissioner shall submit to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies a copy of the Child Care and Development Fund Plan that the commissioner submits to the Administration for Children and Families pursuant to federal law. The copy of the plan shall be submitted to the committees not later than thirty days after submission of the plan to the Administration for Children and Families.

Sec. 52. (NEW) (*Effective from passage*) The Department of Social Services shall establish, within available appropriations, a fall prevention program. Within such program, the department shall:

(1) Promote and support research to: (A) Improve the identification, diagnosis, treatment and rehabilitation of older adults and others who have a high risk of falling; (B) improve data collection and analysis to identify risk factors for falls and factors that reduce the likelihood of falls; (C) design, implement and evaluate the most effective fall prevention interventions; (D) improve intervention strategies that have been proven effective in reducing falls by tailoring such strategies to specific populations of older adults; (E) maximize the dissemination of proven, effective fall prevention interventions; (F) assess the risk of falls occurring in various settings; (G) identify barriers to the adoption of proven interventions with respect to the prevention of falls among older adults; (H) develop, implement and evaluate the most effective approaches to reducing falls among high-risk older adults living in communities and long-term care and assisted living facilities; and (I) evaluate the effectiveness of community programs designed to prevent falls among older adults;

(2) Establish, in consultation with the Commissioner of Public Health, a professional education program in fall prevention, evaluation and management for physicians, allied health professionals and other health care providers who provide services for the elderly in this state. The Commissioner of Social Services may contract for the establishment of such program through (A) a request for proposal process, (B) a competitive grant program, or (C) cooperative agreements with qualified organizations, institutions or consortia of qualified organizations and institutions;

(3) Oversee and support demonstration and research projects to be carried out by organizations, institutions or consortia of organizations and institutions deemed qualified by the Commissioner of Social Services. Such demonstration and research projects may be in the following areas:

(A) Targeted fall risk screening and referral programs;

(B) Programs designed for community-dwelling older adults that use fall intervention approaches, including physical activity, medication assessment and reduction of medication when possible, vision enhancement and home-modification strategies;

(C) Programs that target new fall victims who are at a high risk for second falls and that are designed to maximize independence and quality of life for older adults, particularly those older adults with functional limitations;

(D) Private sector and public-private partnerships to develop technologies to prevent falls among older adults and prevent or reduce injuries when falls occur; and

(4) Award grants to, or enter into contracts or cooperative agreements with, organizations, institutions or consortia of organizations and institutions deemed qualified by the Commissioner of Social Services to design, implement and evaluate fall prevention programs using proven intervention strategies in residential and institutional settings.

Sec. 53. Section 38a-47 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

All domestic insurance companies and other domestic entities subject to taxation under chapter 207 shall, in accordance with section 38a-48, annually pay to the Insurance Commissioner, for deposit in the Insurance Fund established under section 38a-52a, an amount equal to the actual expenditures made by the Insurance Department during each fiscal year, and the actual expenditures made by the Office of the Healthcare Advocate, including the cost of fringe benefits for department and office personnel as estimated by the Comptroller, plus (1) the expenditures made on behalf of the department and the office from the Capital Equipment Purchase Fund pursuant to section 4a-9 for such year, and (2) the amount appropriated to the Department of Social Services for the fall prevention program established in section 52 of this act from the Insurance Fund for the fiscal year, but excluding expenditures paid for by fraternal benefit societies, foreign and alien insurance companies and other foreign and alien entities under sections 38a-49 and 38a-50. Payments shall be made by assessment of all such domestic insurance companies and other domestic entities calculated and collected in accordance with the provisions of section 38a-48. Any such domestic insurance company or other domestic entity aggrieved because of any assessment levied under this section may appeal therefrom in accordance with the provisions of section 38a-52.

Sec. 54. Section 38a-48 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) On or before June thirtieth, annually, the Commissioner of Revenue Services shall render to the Insurance Commissioner a statement certifying the amount of taxes or charges imposed on each domestic insurance company or other domestic entity under chapter 207 on business done in this state during the preceding calendar year. **[**; the**]** The statement for local domestic insurance companies shall set forth the amount of taxes and charges before any tax credits allowed as provided in section 12-202.

(b) On or before July thirty-first, annually, the Insurance Commissioner and the Office of the Healthcare Advocate shall render to each domestic insurance company or other domestic entity liable for payment

under section 38a-47, (1) a statement which includes (A) the amount appropriated to the Insurance Department and the Office of the Healthcare Advocate for the fiscal year beginning July first of the same year, (B) the cost of fringe benefits for department and office personnel for such year, as estimated by the Comptroller, **[**and**]** (C) the estimated expenditures on behalf of the department and the office from the Capital Equipment Purchase Fund pursuant to section 4a-9 for such year, and (D) the amount appropriated to the Department of Social Services for the fall prevention program established in section 52 of this act from the Insurance Fund for the fiscal year, (2) a statement of the total taxes imposed on all domestic insurance companies and domestic insurance entities under chapter 207 on business done in this state during the preceding calendar year, and (3) the proposed assessment against that company or entity, calculated in accordance with the provisions of subsection (c) of this section, provided that for the purposes of this calculation the amount appropriated to the Insurance Department and the Office of the Healthcare Advocate plus the cost of fringe benefits for department and office personnel and the estimated expenditures on behalf of the department and the office from the Capital Equipment Purchase Fund pursuant to section 4a-9 shall be deemed to be the actual expenditures of the department and the office, and the amount appropriated to the Department of Social Services from the Insurance Fund for the fiscal year for the fall prevention program established in section 52 of this act shall be deemed to be the actual expenditures for the program.

(c) (1) The proposed assessments for each domestic insurance company or other domestic entity shall be calculated by (A) allocating twenty per cent of the amount to be paid under section 38a-47 among the domestic entities organized under sections 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, in proportion to their respective shares of the total taxes and charges imposed under chapter 207 on such entities on business done in this state during the preceding calendar year, and (B) allocating eighty per cent of the amount to be paid under section 38a-47 among all domestic insurance companies and domestic entities other than those organized under sections 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, in proportion to their respective shares of the total taxes and charges imposed under chapter 207 on such domestic insurance companies and domestic entities on business done in this state during the preceding calendar year, provided if there are no domestic entities organized under sections 38a-199 to 38a-209, inclusive, and 38a-214 to 38a-225, inclusive, at the time of assessment, one hundred per cent of the amount to be paid under section 38a-47 shall be allocated among such domestic insurance companies and domestic entities.

(2) When the amount any such company or entity is assessed pursuant to this section exceeds twenty-five per cent of the actual expenditures of the Insurance Department and the Office of the Healthcare Advocate, such excess amount shall not be paid by such company or entity but rather shall be assessed against and paid by all other such companies and entities in proportion to their respective shares of the total taxes and charges imposed under chapter 207 on business done in this state during the preceding calendar year, except that for purposes of any assessment made to fund payments to the Department of Public Health to purchase vaccines, such company or entity shall be responsible for its share of the costs, notwithstanding whether its assessment exceeds twenty-five per cent of the actual expenditures of the Insurance Department and the Office of the Healthcare Advocate. The provisions of this subdivision shall not be applicable to any corporation which has converted to a domestic mutual insurance company pursuant to section 38a-155 upon the effective date of any public act which amends said section to modify or remove any restriction on the business such a company may engage in, for purposes of any assessment due from such company on and after such effective date.

(d) For purposes of calculating the amount of payment under section 38a-47, as well as the amount of the assessments under this section, the "total taxes imposed on all domestic insurance companies and other domestic entities under chapter 207" shall be based upon the amounts shown as payable to the state for the calendar year on the returns filed with the Commissioner of Revenue Services pursuant to chapter 207; with respect to calculating the amount of payment and assessment for local domestic insurance companies, the amount used shall be the taxes and charges imposed before any tax credits allowed as provided in section 12-202.

(e) On or before September thirtieth, annually, for each fiscal year ending prior to July 1, 1990, the Insurance Commissioner and the Healthcare Advocate, after receiving any objections to the proposed assessments and making such adjustments as in their opinion may be indicated, shall assess each such domestic insurance company or other domestic entity an amount equal to its proposed assessment as so adjusted. Each domestic insurance company or other domestic entity shall pay to the Insurance Commissioner on or before October thirty-first an amount equal to fifty per cent of its assessment adjusted to reflect any credit or amount due from the preceding fiscal year as determined by the commissioner under subsection (g) of this section. Each domestic insurance company or other domestic entity shall pay to the Insurance Commissioner on or before the following April thirtieth, the remaining fifty per cent of its assessment.

(f) On or before September first, annually, for each fiscal year ending after July 1, 1990, the Insurance Commissioner and the Healthcare Advocate, after receiving any objections to the proposed assessments and making such adjustments as in their opinion may be indicated, shall assess each such domestic insurance company or other domestic entity an amount equal to its proposed assessment as so adjusted. Each domestic insurance company or other domestic entity shall pay to the Insurance Commissioner (1) on or before June 30, 1990, and on or before June thirtieth annually thereafter, an estimated payment against its assessment for the following year equal to twenty-five per cent of its assessment for the fiscal year ending such June thirtieth, (2) on or before September thirtieth, annually, twenty-five per cent of its assessment adjusted to reflect any credit or amount due from the preceding fiscal year as determined by the commissioner under subsection (g) of this section, and (3) on or before the following December thirty-first and March thirty-first, annually, each domestic insurance company or other domestic entity shall pay to the Insurance Commissioner the remaining fifty per cent of its proposed assessment to the department in two equal installments.

(g) If the actual expenditures for the fall prevention program established in section 52 of this act are less than the amount allocated, the Commissioner of Social Services shall notify the Insurance Commissioner and the Healthcare Advocate. Immediately following the close of the fiscal year, the Insurance Commissioner and the Healthcare Advocate shall recalculate the proposed assessment for each domestic insurance company or other domestic entity in accordance with subsection (c) of this section using the actual expenditures made by the Insurance Department and the Office of the Healthcare Advocate during that fiscal year, **[**and**]** the actual expenditures made on behalf of the department and the office from the Capital Equipment Purchase Fund pursuant to section 4a-9 and the actual expenditures for the fall prevention program. On or before July thirty-first, the Insurance Commissioner and the Healthcare Advocate shall render to each such domestic insurance company and other domestic entity a statement showing the difference between their respective recalculated assessments and the amount they have previously paid. On or before August thirty-first, the Insurance Commissioner and the Healthcare Advocate, after receiving any objections to such statements, shall make such adjustments which in their

opinion may be indicated, and shall render an adjusted assessment, if any, to the affected companies.

(h) If any assessment is not paid when due, a penalty of twenty-five dollars shall be added thereto, and interest at the rate of six per cent per annum shall be paid thereafter on such assessment and penalty.

(i) The commissioner shall deposit all payments made under this section with the State Treasurer. On and after June 6, 1991, the moneys so deposited shall be credited to the Insurance Fund established under section 38a-52a and shall be accounted for as expenses recovered from insurance companies.

Sec. 55. Section 17b-192 of the general statutes, as amended by section 2 of public act 09-8, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Commissioner of Social Services shall implement a state medical assistance component of the state-administered general assistance program for persons **[**ineligible for Medicaid**]** who do not meet the categorical eligibility criteria for Medicaid on the basis of age, blindness, disability, pregnancy, being a parent or other caretaker relative of a dependent child, being a child under the age of twenty-one, or having been screened for breast or cervical cancer under the Centers for Disease Control and Prevention's National Breast and Cervical Cancer Early Detection Program and are found to need treatment for either breast or cervical cancer. Eligibility criteria concerning income shall be the same as the medically needy component of the Medicaid program, except that earned monthly gross income of up to one hundred fifty dollars shall be disregarded. Unearned income shall not be disregarded. No person who has family assets exceeding one thousand dollars shall be eligible. No person shall be eligible for assistance under this section if such person made, during the three months prior to the month of application, an assignment or transfer or other disposition of property for less than fair market value. The number of months of ineligibility due to such disposition shall be determined by dividing the fair market value of such property, less any consideration received in exchange for its disposition, by five hundred dollars. Such period of ineligibility shall commence in the month in which the person is otherwise eligible for benefits. Any assignment, transfer or other disposition of property, on the part of the transferor, shall be presumed to have been made for the purpose of establishing eligibility for benefits or services unless such person provides convincing evidence to establish that the transaction was exclusively for some other purpose.

(b) Each person eligible for state-administered general assistance shall be entitled to receive medical care through a federally qualified health center or other primary care provider as determined by the commissioner. The Commissioner of Social Services shall determine appropriate service areas and shall, in the commissioner's discretion, contract with community health centers, other similar clinics, and other primary care providers, if necessary, to assure access to primary care services for recipients who live farther than a reasonable distance from a federally qualified health center. The commissioner shall assign and enroll eligible persons in federally qualified health centers and with any other providers contracted for the program because of access needs. Each person eligible for state-administered general assistance shall be entitled to receive hospital services. Medical services under the program shall be limited to the services provided by a federally qualified health center, hospital, or other provider contracted for the program at the commissioner's discretion because of access needs. The commissioner shall ensure that ancillary services and specialty services are provided by a federally qualified health center, hospital, or other providers contracted for the program at the commissioner's discretion. Ancillary services include, but are not limited to, radiology, laboratory, and other diagnostic services not available from a recipient's assigned primary-care provider, and durable medical equipment. Specialty services are services provided by a physician with a specialty that are not included in ancillary services. Ancillary or specialty services provided under the

program shall not exceed such services provided under the state-administered general assistance program on July 1, 2003, except for nonemergency medical transportation and vision care services which may be provided on a limited basis within available appropriations. Notwithstanding any provision of this subsection, the commissioner may provide, or require a contractor to provide, home health services or skilled nursing facility coverage for state-administered general assistance recipients being discharged from a chronic disease hospital when the provision of such services or coverage is determined to be cost effective by the commissioner.

(c) Pharmacy services shall be provided to recipients of state-administered general assistance through the federally qualified health center to which they are assigned or through a pharmacy with which the health center contracts. Recipients who are assigned to a community health center or similar clinic or primary care provider other than a federally qualified health center or to a federally qualified health center that does not have a contract for pharmacy services shall receive pharmacy services at pharmacies designated by the commissioner. The Commissioner of Social Services or the managed care organization or other entity performing administrative functions for the program as permitted in subsection (d) of this section, shall require prior authorization for coverage of drugs for the treatment of erectile dysfunction. The commissioner or the managed care organization or other entity performing administrative functions for the program may limit or exclude coverage for drugs for the treatment of erectile dysfunction for persons who have been convicted of a sexual offense who are required to register with the Commissioner of Public Safety pursuant to chapter 969.

(d) The Commissioner of Social Services shall contract with federally qualified health centers or other primary care providers as necessary to provide medical services to eligible state-administered general assistance recipients pursuant to this section. The commissioner shall, within available appropriations, make payments to such centers based on their pro rata share of the cost of services provided or the number of clients served, or both. The Commissioner of Social Services shall, within available appropriations, make payments to other providers based on a methodology determined by the commissioner. The Commissioner of Social Services may reimburse for extraordinary medical services, provided such services are documented to the satisfaction of the commissioner. For purposes of this section, the commissioner may contract with a managed care organization or other entity to perform administrative functions, including a grievance process for recipients to access review of a denial of coverage for a specific medical service, and to operate the program in whole or in part. Provisions of a contract for medical services entered into by the commissioner pursuant to this section shall supersede any inconsistent provision in the regulations of Connecticut state agencies. A recipient who has exhausted the grievance process established through such contract and wishes to seek further review of the denial of coverage for a specific medical service may request a hearing in accordance with the provisions of section 17b-60.

(e) Each federally qualified health center participating in the program shall enroll in the federal Office of Pharmacy Affairs Section 340B drug discount program established pursuant to 42 USC 256b to provide pharmacy services to recipients at Federal Supply Schedule costs. Each such health center may establish an on-site pharmacy or contract with a commercial pharmacy to provide such pharmacy services.

(f) The Commissioner of Social Services shall, within available appropriations, make payments to hospitals for inpatient services based on their pro rata share of the cost of services provided or the number of clients served, or both. The Commissioner of Social Services shall, within available appropriations, make payments for any ancillary or specialty services provided to state-administered general assistance recipients under this section based on a methodology determined by the commissioner.

(g) [On or before January 1, 2008, the] The Commissioner of Social Services shall seek a waiver of federal law for the purpose of extending health insurance coverage under Medicaid to persons [with income not in excess of one hundred per cent of the federal poverty level] who otherwise qualify for medical assistance under the state-administered general assistance program. The provisions of section 17b-8 shall apply to this section. If the commissioner fails to submit the application for the waiver to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations by February 1, 2010, the commissioner shall submit a written report to said committees not later than February 2, 2010. The report shall include, but not be limited to: (1) An explanation of the reasons for failing to seek the waiver; and (2) an estimate of the fiscal impact that would result from the approval of the waiver in one calendar year.

(h) Upon approval of the waiver submitted pursuant to subsection (g) of this section, the commissioner may provide, or require a contractor, federally qualified health center or other provider to provide coverage for home care services, school-based services or other outpatient community-based services for state-administered general assistance recipients when the provision of such services or coverage is determined to be cost effective by the commissioner. The commissioner shall contract with federally qualified health centers or other primary care providers as necessary to provide such services to eligible state-administered general assistance recipients pursuant to this section. The commissioner shall, within available appropriations, make payments to such centers for any home based services, school-based services or other outpatient community-based services provided by such centers.

[(h)] (i) The commissioner, pursuant to section 17b-10, may implement policies and procedures to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner prints notice of the intent to adopt the regulation in the Connecticut Law Journal not later than twenty days after the date of implementation. Such policy shall be valid until the time final regulations are adopted.

Sec. 56. Section 17b-28e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Commissioner of Social Services shall amend the Medicaid state plan to include, on and after January 1, 2009, hospice services as optional services covered under the Medicaid program. Said state plan amendment shall supersede any regulations of Connecticut state agencies concerning such optional services.

(b) [The] Not later than February 1, 2011, the Commissioner of Social Services shall amend the Medicaid state plan to include foreign language interpreter services provided to any beneficiary with limited English proficiency as a covered service under the Medicaid program. Not later than February 1, 2011, the commissioner shall develop and implement the use of medical billing codes for foreign language interpreter services for the HUSKY Plan, Part A and Part B, and for the fee-for-services Medicaid programs.

(c) Each managed care organization that enters into a contract with the Department of Social Services to provide foreign language interpreter services under the HUSKY Plan, Part A shall report, semi-annually, to the department on the interpreter services provided to recipients of benefits under the program. Such written reports shall be submitted to the department not later than June first and December thirty-first each year. Not later than thirty days after receipt of such report, the department shall submit a copy of the report, in

accordance with the provisions of section 11-4a, to the Medicaid Managed Care Council.

Sec. 57. Section 17b-306a of the general statutes is amended by adding subsection (c) as follows (*Effective from passage*):

(NEW) (c) The Commissioner of Social Services, in collaboration with the Medicaid Managed Care Council, shall, subject to available appropriations, prepare, annually, a report concerning health care choices under the HUSKY Plan, Part A. Such report shall include, but not be limited to, a comparison of the performance of each managed care organization, the primary care case management program and other member service delivery choices. The commissioner shall provide a copy of each report to all HUSKY Plan, Part A members.

Sec. 58. Section 17b-28 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is established a council which shall advise the Commissioner of Social Services on the planning and implementation of a system of Medicaid managed care and shall monitor such planning and implementation and shall advise the Waiver Application Development Council, established pursuant to section 17b-28a, on matters including, but not limited to, eligibility standards, benefits, access and quality assurance. The council shall be composed of the chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to human services, public health and appropriations and the budgets of state agencies, or their designees; two members of the General Assembly, one to be appointed by the president pro tempore of the Senate and one to be appointed by the speaker of the House of Representatives; the director of the Commission on Aging, or a designee; the director of the Commission on Children, or a designee; **[**two community providers of health care**]** a representative of each organization that has been selected by the state to provide managed care and a representative of a primary care case management provider, to be appointed by the president pro tempore of the Senate; two representatives of the insurance industry, to be appointed by the speaker of the House of Representatives; two advocates for persons receiving Medicaid, one to be appointed by the majority leader of the Senate and one to be appointed by the minority leader of the Senate; one advocate for persons with substance use disorders, to be appointed by the majority leader of the House of Representatives; one advocate for persons with psychiatric disabilities, to be appointed by the minority leader of the House of Representatives; two advocates for the Department of Children and Families foster families, one to be appointed by the president pro tempore of the Senate and one to be appointed by the speaker of the House of Representatives; two members of the public who are currently recipients of Medicaid, one to be appointed by the majority leader of the House of Representatives and one to be appointed by the minority leader of the House of Representatives; two representatives of the Department of Social Services, to be appointed by the Commissioner of Social Services; two representatives of the Department of Public Health, to be appointed by the Commissioner of Public Health; two representatives of the Department of Mental Health and Addiction Services, to be appointed by the Commissioner of Mental Health and Addiction Services; two representatives of the Department of Children and Families, to be appointed by the Commissioner of Children and Families; two representatives of the Office of Policy and Management, to be appointed by the Secretary of the Office of Policy and Management; one representative of the office of the State Comptroller, to be appointed by the State Comptroller and the members of the Health Care Access Board who shall be ex-officio members and who may not designate persons to serve in their place. The council shall choose a chair from among its members. The joint committee on Legislative Management shall provide administrative support to such chair. The council shall convene its first meeting no later than

June 1, 1994.

(b) The council shall make recommendations concerning (1) guaranteed access to enrollees and effective outreach and client education; (2) available services comparable to those already in the Medicaid state plan, including those guaranteed under the federal Early and Periodic Screening, Diagnostic and Treatment Services Program under 42 USC 1396d; (3) the sufficiency of provider networks; (4) the sufficiency of capitated rates provider payments, financing and staff resources to guarantee timely access to services; (5) participation in managed care by existing community Medicaid providers; (6) the linguistic and cultural competency of providers and other program facilitators; (7) quality assurance; (8) timely, accessible and effective client grievance procedures; (9) coordination of the Medicaid managed care plan with state and federal health care reforms; (10) eligibility levels for inclusion in the program; (11) cost-sharing provisions; (12) a benefit package; (13) coordination with coverage under the HUSKY Plan, Part B; (14) the need for program quality studies within the areas identified in this section and the department's application for available grant funds for such studies; (15) the managed care portion of the state-administered general assistance program; **[**and**]** (16) other issues pertaining to the development of a Medicaid Research and Demonstration Waiver under Section 1115 of the Social Security Act; and (17) the primary care case management pilot program, established pursuant to section 17b-307.

(c) The Commissioner of Social Services shall seek a federal waiver for the Medicaid managed care plan. Implementation of the Medicaid managed care plan shall not occur before July 1, 1995.

(d) The Commissioner of Social Services may, in consultation with an educational institution, apply for any available funding, including federal funding, to support Medicaid managed care programs.

[(d)**]** (e) The Commissioner of Social Services shall provide monthly reports on the plans and implementation of the Medicaid managed care system to the council.

[(e)**]** (f) The council shall report its activities and progress once each quarter to the General Assembly.

Sec. 59. Section 17b-105h of the general statutes, as amended by section 35 of public act 09-9, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For the fiscal year ending June 30, 2009, the Department of Social Services may use such funds from the federal matching funds received by the state pursuant to section 17b-105f, as amended by **[**this act**]** public act 09-9, as are needed for operating expenses and to employ one staff position for purposes directly related to the administration of the matching funds provision for the supplemental nutrition assistance employment and training program, and for any fiscal year thereafter may use such funds as is necessary to operate and administer said program.

(b) The remaining federal matching funds received by the state pursuant to section 17b-105f, as amended by **[**this act**]** public act 09-9, shall be used for poverty reduction strategies and distributed in the following manner: Seventy-five per cent of such remaining funds shall be provided to supplemental nutrition assistance employment and training providers whose expenditures generated the federal matching funds on a pro-rata basis, pursuant to section 17b-105f, as amended by **[**this act**]** public act 09-9; and twenty-five per cent of such remaining funds shall be provided to supplemental nutrition assistance employment and training community collaboratives selected pursuant to section 17b-105g, as amended by **[**this act**]** public act 09-9, for implementation of poverty reduction strategies.

(c) The provisions of this section shall not apply to any regional community-technical college that participated in the food stamp employment and training program pursuant to a memorandum of agreement entered into between the college and the Department of Social Services prior to October 1, 2008, during the term of such agreement. Such colleges shall retain the amount of federal matching funds provided for in the memorandum of agreement for the term of such agreement. Following the expiration of such agreement, the terms of this section shall apply.

Sec. 60. (NEW) (*Effective from passage*) (a) The Commissioner of Social Services shall contract with one or more entities, on a risk or non-risk basis, to provide administrative services to elderly and disabled Medicaid recipients, including those who are also eligible for Medicare and those enrolled in a dually-eligible special needs plan. Services provided pursuant to such a contract may include, but not be limited to, care coordination, utilization management, disease management, provider network management, quality management, and customer service.

(b) The Commissioner of Social Services may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

(c) The commissioner shall submit a report to the Medicaid Managed Care Council, not later than thirty days after making any policy change pursuant to this section.

Sec. 61. Subdivision (3) of subsection (a) of section 10-76d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(3) Beginning with the fiscal year ending June 30, 2004, the Commissioner of Social Services shall make grant payments to local or regional boards of education in amounts representing fifty per cent of the federal portion of Medicaid claims processed for Medicaid eligible special education and related services provided to Medicaid eligible students in the school district. Beginning with the fiscal year ending June 30, 2009, the commissioner shall exclude any enhanced federal medical assistance percentages in calculating the federal portion of such Medicaid claims processed. Such grant payments shall be made on at least a quarterly basis and may represent estimates of amounts due to local or regional boards of education. Any grant payments made on an estimated basis, including payments made by the Department of Education for the fiscal years prior to the fiscal year ending June 30, 2000, shall be subsequently reconciled to grant amounts due based upon filed and accepted Medicaid claims and Medicaid rates. If, upon review, it is determined that a grant payment or portion of a grant payment was made for ineligible or disallowed Medicaid claims, the local or regional board of education shall reimburse the Department of Social Services for any grant payment amount received based upon ineligible or disallowed Medicaid claims.

Sec. 62. Section 17b-260c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The Commissioner of Social Services shall apply for a Medicaid waiver, pursuant to Section 1115 of the Social Security Act, for the purpose of providing coverage for family planning services to adults in households with income that does not exceed one hundred eighty-five per cent of the federal poverty level and who are not otherwise eligible for Medicaid services.

(b) If the commissioner fails to submit the application for the waiver to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations by February 1, 2010, the commissioner shall submit a written report to said committees not later than February 2, 2010. The report shall include, but not be limited to: (1) An explanation of the reasons for failing to seek the waiver; and (2) an estimate of fiscal impact that would result from the approval of the waiver in one calendar year.

Sec. 63. (NEW) (*Effective from passage*) (a) The Commissioner of Social Services shall apply for a home and community-based services waiver pursuant to Section 1915(c) of the Social Security Act that will allow the commissioner to develop and implement a program for the provision of home or community-based services, as defined in 42 CFR 440. 180, to not more than one hundred persons currently receiving services under the Medicaid program who (1) have tested positive for human immunodeficiency virus or have acquired immune deficiency syndrome, and (2) would remain eligible for Medicaid if admitted to a hospital, nursing facility or intermediate care facility for the mentally retarded, or in the absence of the services that are requested under such waiver, would require the Medicaid covered level of care provided in such facilities. In accordance with 42 CFR 440. 180, such persons shall be eligible to receive services that are deemed necessary by the commissioner to meet their unique needs in order to avoid institutionalization.

(b) If the commissioner fails to submit the application for the waiver to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations by February 1, 2010, the commissioner shall submit a written report to said committees not later than February 2, 2010. The report shall include, but not be limited to: (1) An explanation of the reasons for failing to seek the waiver; and (2) an estimate of the fiscal impact that would result from the approval of the waiver in one calendar year.

Sec. 64. Section 17b-257b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Qualified aliens, as defined in Section 431 of Public Law 104-193, admitted into the United States on or after August 22, 1996, other lawfully residing immigrant aliens or aliens who formerly held the status of permanently residing under color of law who **[**have been determined eligible for Medicaid or for state-administered general assistance medical aid prior to July 1, 1997, may be eligible for state-funded medical assistance which shall provide coverage to the same extent as the Medicaid program, state-administered general assistance medical aid or the HUSKY Plan, Part B provided other conditions of eligibility are met. Such qualified aliens or lawfully residing immigrant aliens or aliens who formerly held the status of permanently residing under color of law who have not been determined eligible for Medicaid or for state-administered general assistance medical aid prior to July 1, 1997, shall be eligible for state-funded assistance or the HUSKY Plan, Part B subsequent to six months from establishing residency in this state. Notwithstanding the provisions of this section, any qualified alien or other lawfully residing immigrant alien or alien who formerly held the status of permanently residing under color of law who is a victim of domestic violence or who has mental retardation shall be eligible for state-funded assistance or the HUSKY Plan, Part B pursuant to this section. Only individuals who are not eligible for Medicaid shall be eligible for state-funded assistance pursuant to this section**]** are (1) receiving home care services, (2) receiving nursing facility care under the state-funded medical assistance program on September 8, 2009, shall continue to receive coverage for such services or care for as long as the individual meets Medicaid eligibility requirements for such services or care except for alien status, or (3) are receiving nursing facility care and have applied for state-funded medical assistance before September 8, 2009, and would otherwise be

eligible for such assistance, shall be provided such assistance for as long as the individual meets Medicaid eligibility requirements for nursing facility care except for alien status, except such aliens who are (A) children and pregnant women, and (B) whose date of admission is less than five years before the date services are provided shall receive coverage until such time as the state plan amendment concerning federal funding for the provision of services to such aliens is approved.

(b) The Commissioner of Social Services may implement policies and procedures necessary to administer the provisions of this section while in the process of adopting such policies and procedures as regulation, provided the commissioner prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Policies and procedures implemented pursuant to this section shall be valid until the time final regulations are adopted.

Sec. 65. Subsection (d) of section 17b-266 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) The commissioner shall pay all capitation claims which would otherwise be reimbursed to the health plans described in subsection (b) of this section in June, **[**1997**]** 2011, no later than July 31, **[**1997**]** 2011.

Sec. 66. Subsection (i) of section 17b-342 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(i) (1) On and after July 1, 1992, the Commissioner of Social Services shall, within available appropriations, administer a state-funded portion of the program for persons (A) who are sixty-five years of age and older; (B) who are inappropriately institutionalized or at risk of inappropriate institutionalization; (C) whose income is less than or equal to the amount allowed under subdivision (3) of subsection (a) of this section; and (D) whose assets, if single, do not exceed the minimum community spouse protected amount pursuant to Section 4022. 05 of the department's uniform policy manual or, if married, the couple's assets do not exceed one hundred fifty per cent of said community spouse protected amount and on and after April 1, 2007, whose assets, if single, do not exceed one hundred fifty per cent of the minimum community spouse protected amount pursuant to Section 4022. 05 of the department's uniform policy manual or, if married, the couple's assets do not exceed two hundred per cent of said community spouse protected amount.

(2) **[**Any**]** Except for persons residing in affordable housing under the assisted living demonstration project established pursuant to section 17b-347e, as provided in subdivision (3) of this subsection, any person whose income **[**exceeds**]** is at or below two hundred per cent of the federal poverty level and who is ineligible for Medicaid shall contribute fifteen per cent **[**to**]** of the cost of his or her care. **[**in accordance with the methodology established for recipients of medical assistance pursuant to Sections 5035. 20 and 5035. 25 of the department's uniform policy manual. **]** Any person whose income exceeds two hundred per cent of the federal poverty level shall contribute fifteen per cent of the cost of his or her care in addition to the amount of applied income determined in accordance with the methodology established by the Department of Social Services for recipients of medical assistance. Any person who does not contribute to the cost of care in accordance with this subdivision, shall be ineligible to receive services under this subsection. Notwithstanding any provision of the general statutes, the department shall not be required to provide an administrative hearing to a person found ineligible for services under this subsection because of a failure to contribute to the cost of care.

(3) [On and after June 30, 1992, the program shall serve persons receiving state-funded home and community-based services from the department, persons receiving services under the promotion of independent living for the elderly program operated by the Department of Social Services, regardless of age, and persons receiving services on June 19, 1992, under the home care demonstration project operated by the Department of Social Services. Such persons receiving state-funded services whose income and assets exceed the limits established pursuant to subdivision (1) of this subsection may continue to participate in the program, but shall be required to pay the total cost of care, including case management costs.] Any person who resides in affordable housing under the assisted living demonstration project established pursuant to section 17b-347e and whose income is at or below two hundred per cent of the federal poverty level, shall not be required to contribute to the cost of care. Any person who resides in affordable housing under the assisted living demonstration project established pursuant to section 17b-347e and whose income exceeds two hundred per cent of the federal poverty level, shall contribute to the applied income amount determined in accordance with the methodology established by the Department of Social Services for recipients of medical assistance. Any person whose income exceeds two hundred per cent of the federal poverty level and who does not contribute to the cost of care in accordance with this subdivision shall be ineligible to receive services under this subsection. Notwithstanding any provision of the general statutes, the department shall not be required to provide an administrative hearing to a person found ineligible for services under this subsection because of a failure to contribute to the cost of care.

[(4) Services shall not be increased for persons who received services under the promotion of independent living for the elderly program over the limits in effect under said program in the fiscal year ending June 30, 1992, unless a person's needs increase and the person is eligible for Medicaid.]

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

Sec. 67. (NEW) (*Effective from passage*) The Commissioner of Social Services shall inquire into the criminal history of any applicant, who is not at the time of application employed by the Department of Social of Services, for a position of employment with the department's disability determination services unit. Such inquiry shall be conducted in accordance with the provisions of section 31-51i of the general statutes. The commissioner shall require each such applicant to state whether the applicant has ever been convicted of a crime, whether criminal charges are pending against the applicant at the time of application, and, if so, to identify the charges and court in which such charges are pending. Each such applicant offered a position of employment with the department's disability determination services unit shall be required to submit to fingerprinting and state and national criminal history records checks, as provided in section 29-17a of the general statutes.

Sec. 68. (NEW) (*Effective from passage*) (a) For purposes of this section, "emergency placement" means the placement of a child by the Department of Children and Families in the home of a private individual, including a neighbor, friend or relative of a child, as a result of the sudden unavailability of the child's

primary caretaker.

(b) When the Department of Children and Families makes an emergency placement, the department may request a criminal justice agency to perform a federal name-based criminal history search of any person residing in the home. The results of such name-based search shall be provided to the department.

(c) No later than fifteen calendar days after the date such name-based search is performed pursuant to subsection (b) of this section, the department shall request the State Police Bureau of Identification to perform a state and national criminal history records check in accordance with section 29-17a of the general statutes of any person residing in the home. Such criminal history records checks shall be deemed as required by this section for purposes of said section 29-17a and the department may request that such records checks be performed in accordance with subsection (c) of section 29-17a of the general statutes. The results of such criminal history records checks shall be provided to the department. If any person refuses to provide fingerprints or other positive identifying information for purposes of such checks when requested, the department shall immediately remove the child from the home.

(d) If the department denies emergency placement or removes a child from a home based on the results of a federal name-based criminal history search performed pursuant to subsection (b) of this section, the person whose name-based search was the basis for such denial or removal may contest such denial or removal by requesting that a full criminal history records check be performed in accordance with subsection (c) of this section.

Sec. 69. Section 17a-126 of the general statutes, as amended by section 7 of public act 09-185, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section, (1) "relative caregiver" means a person who is caring for a child related to such person because the parent of the child has died or become otherwise unable to care for the child for reasons that make reunification with the parent and adoption not **[**a**]** viable **[**option**]** options within the foreseeable future**,** and (2) "commissioner" means the Commissioner of Children and Families.

(b) The **[**Commissioner of Children and Families**]** commissioner, shall establish a program of subsidized guardianship for the benefit of children in **[**the care or custody of the commissioner**]** foster care who **[**are**]** have been living with relative caregivers**, who are licensed foster care providers pursuant to section 17a-114,** and who have been in foster care or certified relative care for not less than **[**eighteen**]** six consecutive months. **[**The commissioner, within available appropriations, shall establish a program of subsidized guardianship for the benefit of children in the care or custody of the commissioner who are living with relative caregivers and who have been in foster care or certified relative care for not less than six but not more than eighteen months. **]** A relative caregiver may request a guardianship subsidy from the commissioner. **[**If adoption of the child by the relative caregiver is an option, the commissioner shall counsel the caregiver about the advantages and disadvantages of adoption and subsidized guardianship so that the decision by the relative caregiver to request a subsidized guardianship may be a fully informed one. **]**

(c) If a relative caregiver who is receiving a guardianship subsidy for a related child is also caring for the child's sibling who is not related to the caregiver, **[**(1)**]** the commissioner shall provide a guardianship subsidy to such relative caregiver if the sibling has been in foster care for not less than eighteen months, and (2) the commissioner shall, within available appropriations, provide a guardianship subsidy to such relative

caregiver [if the sibling has been in foster care for not less than six months but not more than eighteen months] in accordance with regulations adopted by the commissioner pursuant to subsection (e) of this section. For purposes of this subsection, "child's sibling" includes a stepbrother, stepsister, a half-brother or a half-sister.

(d) The commissioner shall provide the following subsidies under the subsidized guardianship program in accordance with this section and the regulations adopted pursuant to subsection (e) of this section: (1) A special-need subsidy, which shall be a lump sum payment for one-time expenses resulting from the assumption of care of the child [when no other resource is available to pay for such expense] and shall not exceed two thousand dollars; [and] (2) a medical subsidy comparable to the medical subsidy to children in the subsidized adoption program if the child lacks private health insurance. The subsidized guardianship program shall also provide a monthly subsidy on behalf of the child payable to the relative caregiver that [shall be equal to the prevailing foster care rate. The commissioner may establish an asset test for eligibility under the program] is based on the circumstances of the relative caregiver and the needs of the child and shall not exceed the foster care maintenance payment that would have been paid on behalf of the child if the child had remained in licensed foster care.

(e) The commissioner shall adopt regulations, in accordance with chapter 54, implementing the subsidized guardianship program established under this section. Such regulations shall [require, as a prerequisite to payment of a guardianship subsidy for the benefit of a minor child, that a home study report be filed with the court having jurisdiction of the case of the minor not later than fifteen days after the date of the request for a subsidy, provided no such report shall be required to be filed if a report has previously been provided to the court or if the caregiver has been determined to be a certified relative caregiver by the commissioner. The regulations shall also establish a procedure comparable to that for the subsidized adoption program to determine the types and amounts of subsidy to be granted by the commissioner as provided in subsection (d) of this section, for annual review of the subsidy as provided in subsection (f) of this section and for appeal from decisions by the commissioner denying, modifying or terminating such subsidies] include all federal requirements necessary to maximize federal reimbursement available to the state, including, but not limited to, (1) eligibility for the program, (2) the maximum age at which a child is no longer eligible for a guardianship subsidy, including the maximum age, for purposes of claiming federal reimbursement under Title IV-E of the Social Security Act, at which a child is no longer eligible for a guardianship subsidy, and (3) a procedure for determining the types and amounts of the subsidies.

(f) [The] At a minimum, the guardianship subsidy provided under this section shall continue until the child reaches the age of eighteen or the age of twenty-one if such child is in full time attendance at a secondary school, technical school or college or is in a state accredited job training program. Annually, the subsidized guardian shall submit to the commissioner a sworn statement that the child is still living with and receiving support from the guardian. The parent of any child receiving assistance through the subsidized guardianship program shall remain liable for the support of the child as required by the general statutes.

(g) A guardianship subsidy shall not be included in the calculation of household income in determining eligibility for benefits of the relative caregiver of the subsidized child or other persons living within the household of the relative caregiver.

(h) Payments for guardianship subsidies shall be made from moneys available from any source to the commissioner for child welfare purposes. The commissioner shall develop and implement a plan that: (1) Maximizes use of the subsidized guardianship program to decrease the number of children in the legal

custody of the **[**Commissioner of Children and Families**]** commissioner and to reduce the number of children who would otherwise be placed into nonrelative foster care when there is a family member willing to provide care; (2) maximizes federal reimbursement for the costs of the subsidized guardianship program, provided whatever federal maximization method is employed shall not result in the relative caregiver of a child being subject to work requirements as a condition of receipt of benefits for the child or the benefits restricted in time or scope other than as specified in subsection (c) of this section; and (3) ensures necessary transfers of funds between agencies and interagency coordination in program implementation. The **[**Commissioner of Children and Families**]** commissioner shall seek all federal waivers and reimbursement as are necessary and appropriate to implement this plan.

(i) In the case of the death, severe disability or serious illness of a relative caregiver who is receiving a guardianship subsidy, the commissioner may transfer the guardianship subsidy to a new relative caregiver who meets the Department of Children and Families foster care safety requirements and is appointed as legal guardian by a court of competent jurisdiction.

(j) Nothing in this section shall prohibit the commissioner from continuing to pay guardianship subsidies to those relative caregivers who entered into written subsidy agreements with the Department of Children and Families prior to the effective date of this section.

Sec. 70. Section 16 of public act 09-2 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Beginning with the fiscal year ending **[**June 30, 2009**]** October 1, 2009, and for each fiscal year thereafter, the Commissioner of Social Services shall increase income disregards used to determine eligibility by the Department of Social Services for the federal Specified Low-Income Medicare Beneficiary, the Qualified Medicare Beneficiary and the Qualifying Individual Programs, administered in accordance with the provisions of 42 USC 1396d(p), by an amount that equalizes the income levels used to determine eligibility for said programs with income levels used to determine eligibility for the ConnPACE program under subsection (a) of section 17b-492 of the general statutes, as amended by this act. The commissioner shall not apply an asset test for eligibility under the Medicare Savings Program. The Commissioner of Social Services, pursuant to section 17b-10 of the general statutes, may implement policies and procedures to administer the provisions of this section while in the process of adopting such policies and procedures in regulation form, provided the commissioner prints notice of the intent to adopt the regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Such policies and procedures shall be valid until the time final regulations are adopted.

Sec. 71. Section 17b-280 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The state shall reimburse for all legend drugs provided under the Medicaid, state-administered general assistance, ConnPACE and Connecticut AIDS drug assistance programs at the lower of (1) the rate established by the Centers for Medicare and Medicaid Services as the federal acquisition cost, (2) the average wholesale price minus fourteen per cent, or (3) an equivalent percentage as established under the Medicaid state plan. The commissioner shall also establish a professional fee of **[**three**]** two dollars and **[**fifteen**]** sixty-five cents for each prescription to be paid to licensed pharmacies for dispensing drugs to Medicaid, state-administered general assistance, ConnPACE and Connecticut AIDS drug assistance recipients in accordance with federal regulations; and on and after September 4, 1991, payment for legend

and nonlegend drugs provided to Medicaid recipients shall be based upon the actual package size dispensed. Effective October 1, 1991, reimbursement for over-the-counter drugs for such recipients shall be limited to those over-the-counter drugs and products published in the Connecticut Formulary, or the cross reference list, issued by the commissioner. The cost of all over-the-counter drugs and products provided to residents of nursing facilities, chronic disease hospitals, and intermediate care facilities for the mentally retarded shall be included in the facilities' per diem rate. Notwithstanding the provisions of this subsection, no dispensing fee shall be issued for a prescription drug dispensed to a ConnPACE or Medicaid recipient who is a Medicare Part D beneficiary when the prescription drug is a Medicare Part D drug, as defined in Public Law 108-173, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

(b) The Department of Social Services may provide an enhanced dispensing fee to a pharmacy enrolled in the federal Office of Pharmacy Affairs Section 340B drug discount program established pursuant to 42 USC 256b or a pharmacy under contract to provide services under said program.

Sec. 72. (*Effective from passage*) (a) The Department of Social Services, in consultation with the Connecticut Pharmacists Association, shall review the impact of potential or actual changes in the methodologies utilized in calculating the average wholesale price for brand name and generic drugs. Such review shall include, but not be limited to, the financial impact of any required changes in pharmacy reimbursement payments made under any of the medical assistance programs administered by the department.

(b) Not later than January 1, 2010, the commissioner of Social Services shall report in accordance with the provisions of section 11-4a of the general statutes on the results of such review. Based on the outcome of such review, on or after January 1, 2010, for the fiscal year ending on June 30, 2010, the Department of Social Services may, with the approval by the Secretary of the Office of Policy and Management, implement adjustments to dispensing fees paid to licensed pharmacies pursuant to section 17b-280 of the general statutes for generic and brand name drugs dispensed in conjunction with the state's medical assistance programs. The Department of Social Services may provide, upon approval by the Secretary of the Office of Policy and Management and within available appropriations, increased adjustments to the dispensing fee or reimbursements paid to licensed pharmacies providing services to medical assistance program beneficiaries in order to assist those pharmacies that experience financial hardship attributable to their participation in state medical assistance programs as a result of the implementation of changes in the methodologies utilized to calculate the average wholesale price of brand name and generic drugs.

Sec. 73. (*Effective from passage*) For the fiscal year ending June 30, 2010, the Department of Social Services shall allocate $ 300,000 to process pending eligibility applications for Medicaid recipients residing in nursing homes. Not later than January 1, 2011, the department shall submit a report on such applications, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to Public Health and Human Services.

Sec. 74. (*Effective from passage*) The Department of Social Services may amend the Medicaid state plan to create a per diem rate for intermediate care beds for mentally ill patients in general hospitals.

Sec. 75. (NEW) (*Effective from passage*) The Commissioner of Social Services may require utilization of the Easy Breathing model in the HUSKY program.

Sec. 76. (NEW) (*Effective from passage*) The Commissioner of Social Services may, to the extent

permitted by federal law, amend the Medicaid state plan to establish a pilot program that serves not more than five hundred persons served by Oak Hill - The Connecticut Institute for the Blind, Inc. who are eligible for Medicare and who voluntarily agree to participate in the program. Such program shall be designed to demonstrate the feasibility and cost effectiveness of delivering comprehensive health insurance coverage in a managed care setting to such persons. The commissioner may include medical assistance services in the program not covered on the effective date of this section in the state medical assistance program or other modifications to the state medical assistance program to encourage voluntary participation in the pilot program.

Sec. 77. (*Effective from passage*) Effective July 1, 2009, the Department of Social Services shall, subject to available appropriations, increase by not less than seven hundred thousand dollars, on an annualized basis, reimbursement rates paid to providers of adult day care services under the Connecticut home care program for the elderly administered pursuant to section 17b-342 of the general statutes, as amended by this act.

Sec. 78. (NEW) (*Effective from passage*) Not later than ten days prior to terminating state-funded medical assistance services for any person who is a qualified alien, other lawfully residing immigrant alien or alien who formerly held the status of permanently residing under color of law, the commissioner shall provide notice of the proposed termination. Such notice shall include (1) the reason for termination and (2) information concerning the person's eligibility for other state or federal medical assistance programs, including instructions on how to apply for such programs.

Sec. 79. (*Effective from passage*) (a) Notwithstanding sections 1 and 11 of public act 09-3 of the June special session, the amount appropriated to the Department of Social Services, for Other Expenses, shall be $ 89,148,799 for the fiscal year ending June 30, 2010, and $ 89,398,799 for the fiscal year ending June 30, 2011.

(b) Notwithstanding sections 1 and 11 of public act 09-3 of the June special session, the amount appropriated to the Department of Social Services, for HUSKY Program, shall be $ 34,761,200 for the fiscal year ending June 30, 2010, and $ 36,463,900 for the fiscal year ending June 30, 2011.

(c) Notwithstanding sections 1 and 11 of public act 09-3 of the June special session, the amount appropriated to the Department of Social Services, for Medicaid, shall be $ 3,847,384,700 for the fiscal year ending June 30, 2010, and $ 3,694,819,974 for the fiscal year ending June 30, 2011.

Sec. 80. Section 16a-41a of the general statutes is amended by adding subsection (e) as follows (*Effective from passage*):

(NEW) (e) The Commissioner of Social Services shall submit each plan or report described in subsection (a) of this section to the low-income energy advisory board, established pursuant to section 16a-41b, as amended by this act, not later than seven days prior to submitting such plan or report to the joint standing committee of the General Assembly having cognizance of matters relating to energy and technology, appropriations and human services.

Sec. 81. Subsection (b) of section 16a-41b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The Low-Income Energy Advisory Board shall advise and assist the Office of Policy and Management

and the Department of Social Services in the planning, development, implementation and coordination of energy-assistance-related programs and policies and low-income weatherization assistance programs and policies, shall advise the Department of Public Utility Control regarding the impact of utility rates and policies, and shall make recommendations to the General Assembly regarding (1) legislation and plans subject to legislative approval, and (2) administration of the block grant program authorized under the Low-Income Energy Assistance Act, as described in section 16a-41a, as amended by this act, to ensure affordable access to residential energy services to low-income state residents.

Sec. 82. Section 31 of public act 09-3 of the June special session is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The unexpended balance of funds appropriated in section 5 of public act 08-1 of the August special session, and carried forward in section 3 of public act 09-2 of the June 19 special session, to the Office of Policy and Management, for the purpose of expanding Operation Fuel, Incorporated, shall be available to provide emergency energy assistance from July 1, 2009, to June 30, 2010, inclusive, to households within the state with income greater than one hundred fifty but less than two hundred per cent of the applicable federal poverty level that are unable to make timely payments on deliverable fuel, electricity or natural gas bills, whether they are primary or secondary energy sources. Operation Fuel, Incorporated, shall pay emergency energy assistance provided pursuant to this section directly to fuel vendors, municipal utilities furnishing electricity or natural gas or electric or natural gas companies.

Sec. 83. Section 45 of public act 09-3 of the June special session is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Department of Social Services shall, within available appropriations, contract with (1) the Center for Medicare Advocacy to provide assistance with Medicare Part D Plan appeals relating to the denial of medically necessary prescriptions, and (2) a pharmacy association or pharmacist to assist clients with choosing a Medicare Part D Plan that best meets their drug regimen. On or before December 1, 2009, the Commissioner of Social Services shall **[**report, in accordance with the provisions of section 11-4a of the general statutes,**]** provide to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and state budgets and human services **[**describing revisions to the department's nonformulary exception review and appeal process for clients who are dually eligible for Medicaid and Medicare Part D. Such report shall include, but not be limited to, an explanation of (1) the department's revised process for determining, before the department pays for a nonformulary drug, whether the nonformulary drug is medically necessary, (2) the conditions for the department's pursuing an appeal with private plans and (3) the department's criteria for making a referral to the Center for Medicare Advocacy for further appeals**]** a plan concerning the department's referral process for clients who are dually eligible for Medicaid and Medicare Part D. Such plan shall include, but not be limited to, providing such clients with information about appeal rights and the availability of assistance from the Center for Medicare Advocacy.

Sec. 84. Subsection (a) of section 17b-371 of the general statutes, as amended by section 1 of public act 09-1, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) On July 1, **[**2009**]** 2011, to the extent permitted by federal law, there shall be established within the General Fund, a separate, nonlapsing account which shall be known as the "Long-Term Care Reinvestment account". The account shall contain any moneys required by law and this section to be

deposited in the account. Any funds resulting from the enhanced federal medical assistance percentage received by the state under the Money Follows the Person demonstration project pursuant to Section 6071 of the Deficit Reduction Act of 2005 shall be deposited in the account.

Sec. 85. Subsection (d) of section 17b-371 of the general statutes, as amended by section 2 of public act 09-1, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) On or before January 1, **[**2010**]** 2012, and annually thereafter, the Commissioner of Social Services shall submit a report, in accordance with section 11-4a, to the Governor and to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies concerning the **[**long-term care reinvestment**]** Long-Term Care Reinvestment account established under this section. The report shall include financial information concerning the money in the account, including, but not limited to, information on the number, amount and type of expenditures from the fund during the prior calendar year and estimates of the impact of the fund on present and future Medicaid expenditures.

Sec. 86. Section 17b-339 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is established a Nursing Home Financial Advisory Committee to examine the financial solvency of nursing homes on an ongoing basis and to support the Departments of Social Services and Public Health in their mission to provide oversight to the nursing home industry **[**which promotes**]** on issues concerning the financial solvency of and quality of care provided by nursing homes. The committee shall consist of **[**seven members: The**]** the Commissioner of Social Services, or his designee; the Commissioner of Public Health, or his designee; the Secretary of the Office of Policy and Management, or his designee; **[**the director of the Office of Fiscal Analysis, or his designee; **]** the executive director of the Connecticut Health and Education Facilities Authority, or his designee; and **[**one representative of nonprofit nursing homes**]** the executive director of the Connecticut Association of Not-for-Profit Providers for the Aging, or the executive director's designee; and **[**one representative of for-profit nursing homes appointed by the Governor**]** the executive director of the Connecticut Association of Health Care Facilities, or the executive director's designee.

[(b)**]** The Commissioner of Social Services and the Commissioner of Public Health shall be the chairpersons of the committee. **[**Any vacancy shall be filled by the appointing authority. **]**

[(c)**]** (b) The committee, upon receipt of a report relative to the financial solvency of and quality of care provided by nursing homes in the state, shall recommend appropriate action for improving the financial condition of any nursing home that is in financial distress to the Commissioner of Social Services and the Commissioner of Public Health. The Commissioner of Social Services shall submit quarterly reports to the committee concerning pending nursing home requests for interim rate increases. Such reports shall, without identifying any requesting facility by name, list the amount of each increase requested, the reason for the request and the rate that will result if the request is granted.

[(d)**]** (c) Not later than January 1, **[**1999**]** 2010, and annually thereafter, the committee shall submit a report on its activities to the joint standing committees of the General Assembly having cognizance of matters relating to appropriations, human services and public health and to the select committee of the General Assembly having cognizance of matters relating to aging, in accordance with the provisions of section 11-

4a.

(d) Not later than January 1, 2010, and quarterly thereafter, the committee shall meet with the chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to human services, appropriations and the budgets of state agencies, and public health, and the Long-Term Care Ombudsman to discuss activities of the committee relating to the financial solvency of and quality of care provided by nursing homes.

Sec. 87. Subsection (d) of section 17b-370 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(d) Not later than January 1, **[**2009**]** 2012, the commissioner shall submit, in accordance with section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies the plan developed pursuant to subsection (a) of this section along with recommendations for legislation and funding necessary to implement the plan. Not later than sixty days after the date of receipt of such plan, said joint standing committees of the General Assembly shall advise the commissioner of their approval, denial or modifications, if any, of the plan, and if such plan is approved by said committees, such plan shall be implemented on or after July 1, **[**2009**]** 2012, subject to available appropriations.

Sec. 88. (NEW) (*Effective from passage*) Notwithstanding the provisions of section 8-206e of the general statutes, the Commissioner of Economic and Community Development, in consultation with the Commissioner of Social Services and the Secretary of the Office of Policy and Management, may designate as a demonstration program an established United States Department of Housing and Urban Development Section 202 or Section 236 elderly housing development that is licensed to provide assisted living services, for the purpose of qualifying otherwise eligible residents for payment for such services as authorized under a 1915c Medicaid waiver or the state-funded portion of the Connecticut Home Care Program for the Elderly established pursuant to section 17b-342 of the general statutes.

Sec. 89. Section 17b-492d of the general statutes is repealed. (*Effective from passage*)

Approved October 5, 2009