



General Assembly

Amendment

February Session, 2026

LCO No. 4545



Offered by:

SEN. HOCHADEL, 13th Dist.

REP. GARIBAY, 60th Dist.

REP. FORTIER, 79th Dist.

To: Subst. Senate Bill No. 125

File No. 69

Cal. No. 69

"AN ACT RESTRICTING PRIVATE EQUITY OWNERSHIP OF NURSING HOMES."

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

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4 the general statutes is repealed and the following is substituted in lieu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

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

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

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 Section 7-127b of the general statutes is repealed and the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

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

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

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

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

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

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

80 of Aging and Disability Services' Internet web site.

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

101 Sec. 3. (Effective October 1, 2026) (a) As used in this section, (1)
102 "controlling interest" means the direct or indirect power to direct the
103 management and policies of a nursing home, whether through
104 ownership of voting securities, contract or other means; (2) "nursing
105 home" means a nursing home, as defined in section 19a-490 of the
106 general statutes, that has a provider agreement with the state to provide
107 services to recipients of benefits obtained through Title XIX of the Social
108 Security Amendments of 1965; and (3) "private equity entity" means any
109 entity that collects capital investments from individuals or entities and
110 purchases, as a parent company or through another entity that the entity
111 completely or partially owns or controls, a direct or indirect ownership
112 share of a nursing home, and includes a real estate investment trust, as

113 defined in 26 USC 856, as amended from time to time.

114 (b) Not later than February 15, 2027, and annually thereafter, each
115 nursing home shall provide the Commissioner of Social Services with
116 the following information: (1) The name and business address of all
117 private equity entities with a beneficial ownership interest of five per
118 cent or more in the nursing home and a statement of whether such
119 private equity entity is an individual, partnership, corporation or other
120 legal entity; (2) the names of the officers, directors, trustees or managing
121 and general partners of any such private equity entity and the number
122 of shares owned or ownership percentage of the private equity entity
123 held by each partner; (3) if such private equity entity is a corporation
124 that is incorporated in another state, a certificate of good standing from
125 the Secretary of the State of the state of incorporation; (4) the audited
126 and certified financial statements of the private equity entity, if
127 applicable, including, but not limited to, (A) a balance sheet as of the
128 end of the most recent fiscal year, (B) income statements for the most
129 recent fiscal year, (C) a cash flow statement from the most recent fiscal
130 year, and (D) an estimate of financing expenses, legal expenses, land
131 costs, marketing costs and other similar costs that the private equity
132 entity expects to incur or become obligated to pay within one year of
133 acquisition of the nursing home; (5) a description of any mortgage loan
134 or other financing used for the initial acquisition or construction of the
135 nursing home, subsequent refinancing of any such debt, and any
136 subsequent financing of additional debt incurred, including, but not
137 limited to, the terms and costs of any such mortgage loan or other
138 financing; (6) a copy of the purchase agreement for the nursing home
139 and any agreement providing for the transfer of ownership interests in
140 the nursing home, including, but not limited to, the real estate
141 agreement, asset agreement, stock agreement or other similar
142 agreement; and (7) any documentation regarding escrow or contingency
143 accounts.

144 (c) The Commissioner of Social Services may impose a civil penalty
145 of one thousand dollars per day on any nursing home that fails to

146 provide any information required pursuant to subsection (b) of this
147 section not later than thirty days after the date such information is due,
148 provided the commissioner provides written notice to the nursing home
149 of its failure to provide such information not later than fourteen days
150 after the date such information is due. A nursing home may request a
151 fair hearing on the assessment of any such civil penalty as an aggrieved
152 person pursuant to section 17b-60 of the general statutes.

153 (d) (1) The Commissioner of Social Services shall identify any security
154 instruments, including, but not limited to, surety bonds, escrow
155 accounts or insurance-related products, that may be available to a
156 nursing home to guarantee ninety days of such nursing home's
157 operating costs payable to the state in the event that such nursing home
158 enters a receivership, initiates an emergency closure or experiences
159 imminent financial distress. Not later than January 1, 2028, the
160 commissioner shall communicate to nursing homes any security
161 instruments identified pursuant to the provisions of this subdivision in
162 a form and manner prescribed by the commissioner. The provisions of
163 this subsection shall not apply if the commissioner fails to identify any
164 such security instruments, or determines that such security instruments
165 are not financially feasible.

166 (2) On and after July 1, 2028, each nursing home subject to a beneficial
167 ownership interest of a private equity entity of five per cent or more
168 shall, at the time of application for or renewal of a nursing home license,
169 demonstrate to the satisfaction of the Commissioner of Social Services
170 that the nursing home has secured a surety bond or similar form of
171 security in favor of the state in an amount equal to ninety days of
172 operating costs for the nursing home and that such bond or similar form
173 of security shall remain in effect for the duration of the initial license
174 term and any renewal term.

175 (3) On and after July 1, 2028, each nursing home subject to a beneficial
176 ownership interest of a private equity entity of five per cent or more
177 shall, at the time of application for or renewal of a nursing home license,
178 submit to the Department of Public Health a copy of the surety bond or

179 similar form of security required under subdivision (2) of this
180 subsection.

181 (e) No person or entity acquiring ownership of real property on and
182 after October 1, 2026, on which a licensed nursing home operates, shall
183 sell, transfer or otherwise convey such property within five years of
184 acquisition without written approval from the Commissioner of Public
185 Health. Such approval shall be granted only upon a showing that the
186 sale, transfer or conveyance will benefit resident care or improve
187 operational stability.

188 (f) On and after February 1, 2027, no nursing home shall be subject to
189 a controlling interest of a private equity entity and each entity holding
190 a nursing home's license shall maintain full governance control and
191 authority over such nursing home's assets and activities, including, but
192 not limited to, all clinical, operational, managerial, financial and human
193 resources matters. Not later than February 1, 2027, and annually
194 thereafter, each nursing home shall submit to the Commissioner of
195 Public Health an attestation that no private equity entity has a
196 controlling interest in the nursing home and that the entity holding the
197 nursing home's license maintains full governance control and authority
198 over the nursing home's assets and activities.

199 Sec. 4. Section 29-453a of the general statutes is repealed and the
200 following is substituted in lieu thereof (*Effective October 1, 2026*):

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

209 (b) For purposes of this section, "privately owned multifamily

210 housing project" means real property that (1) consists of, or
211 encompasses, a building not less than fifteen stories in height that
212 contains dwelling units whose occupancy is restricted by age, and (2) is
213 subject, in whole or in part, to a mortgage insured under the National
214 Housing Act, 12 USC 1701 et seq.

215 Sec. 5. (NEW) (*Effective October 1, 2026*) (a) As used in this section: (1)
216 "Home health aide agency" has the same meaning as provided in section
217 19a-490 of the general statutes, (2) "home health aide employee" means
218 a person (A) who is employed as a home health aide by a home health
219 aide agency, or (B) with whom such agency has contracted to provide
220 home health aide services on behalf of such agency, (3) "home health
221 aide services" has the same meaning as provided in section 19a-490 of
222 the general statutes, and (4) "personal protective equipment" includes,
223 but is not limited to, disposable gloves, hand sanitizers, aprons, gowns,
224 foot covers, face shields, N95 masks or higher rated masks certified by
225 the National Institute for Occupational Safety and Health and surgical
226 masks.

227 (b) Each home health aide agency shall provide each home health
228 aide employee, at no cost, personal protective equipment that is
229 necessary to safely provide home health aide services to each client of a
230 home health aide employee.

231 Sec. 6. Subsection (a) of section 17b-354 of the 2026 supplement to the
232 general statutes is repealed and the following is substituted in lieu
233 thereof (*Effective from passage*):

234 (a) The Department of Social Services shall not accept or approve any
235 requests for additional nursing home beds, except (1) beds restricted to
236 use by patients with acquired immune deficiency syndrome or by
237 patients requiring neurological rehabilitation; (2) beds associated with a
238 continuing care facility, as described in section 17b-520, provided such
239 beds are not used in the Medicaid program; [. For the purpose of this
240 subsection, beds associated with a continuing care facility are not subject
241 to the certificate of need provisions pursuant to sections 17b-352 and

242 17b-353;] (3) Medicaid certified beds either to be relocated from one
243 licensed nursing facility to another licensed nursing facility to meet a
244 priority need identified in the strategic plan developed pursuant to
245 subsection (c) of section 17b-369 or new beds added to an existing
246 facility or a new facility with preference given to a nontraditional, small-
247 house-style nursing home facility that incorporates the goals for nursing
248 facilities referenced in the department's strategic plan for long-term
249 care, as described in section 17b-355, as amended by this act, to address
250 priority needs reflected by area census trends; (4) licensed Medicaid
251 nursing facility beds to be relocated from one or more existing nursing
252 facilities to a new nursing facility, including a replacement facility,
253 provided (A) no new Medicaid certified beds are added, (B) at least one
254 currently licensed facility is closed in the transaction as a result of the
255 relocation, (C) the relocation is done within available appropriations,
256 (D) the facility participates in the Money Follows the Person
257 demonstration project pursuant to section 17b-369, (E) the availability of
258 beds in the area of need will not be adversely affected, (F) the certificate
259 of need approval for such new facility or facility relocation and the
260 associated capital expenditures are obtained pursuant to sections 17b-
261 352 and 17b-353, and (G) the facilities included in the bed relocation and
262 closure shall be in accordance with the strategic plan developed
263 pursuant to subsection (c) of section 17b-369; and (5) proposals to build
264 a nontraditional, small-house style nursing home designed to enhance
265 the quality of life for nursing facility residents, provided that the
266 nursing facility agrees to reduce its total number of licensed beds by a
267 percentage determined by the Commissioner of Social Services in
268 accordance with the department's strategic plan for long-term care. For
269 the purposes of this subsection, beds associated with a continuing care
270 facility are not subject to the certificate of need provisions pursuant to
271 sections 17b-352 and 17b-353.

272 Sec. 7. Section 17b-355 of the general statutes is repealed and the
273 following is substituted in lieu thereof (*Effective from passage*):

274 (a) In determining whether a request submitted pursuant to sections

275 17b-352 to 17b-354, inclusive, as amended by this act, will be granted,
276 modified or denied, the Commissioner of Social Services shall consider
277 the following: (1) The financial feasibility of the request and its impact
278 on the applicant's rates and financial condition, (2) the contribution of
279 the request to the quality, accessibility and cost-effectiveness of the
280 delivery of long-term care in the region, including consideration of the
281 nursing home's star rating on the five-star quality rating system for
282 nursing homes published by the Centers for Medicare and Medicaid
283 Services, (3) whether there is clear public need for the request, (4) the
284 relationship of any proposed change to the applicant's current
285 utilization statistics and the effect of the proposal on the utilization
286 statistics of other facilities in the applicant's service area, (5) the business
287 interests of all owners, partners, associates, incorporators, directors,
288 sponsors, stockholders and operators and the personal background of
289 such persons, and (6) any other factor which the Department of Social
290 Services deems relevant. In considering whether there is clear public
291 need for any request for the relocation of beds to a replacement facility,
292 or for new beds added to an existing facility or a new facility, the
293 commissioner shall consider whether there is a demonstrated bed need
294 in the towns within a fifteen-mile radius of the town in which the beds
295 are proposed to be located and whether the availability of beds in the
296 applicant's service area will be adversely affected.

297 (b) Any proposal to relocate nursing home beds from an existing
298 facility to a new facility shall not increase the number of Medicaid
299 certified beds and shall result in the closure of at least one currently
300 licensed facility. The commissioner may request that any applicant
301 seeking to replace an existing facility reduce the number of beds in the
302 new facility by a percentage that is consistent with the department's
303 strategic state-wide long-term rebalancing plan for long-term care. If an
304 applicant seeking to replace an existing facility with a new facility owns
305 or operates more than one nursing facility, the commissioner may
306 request that the applicant close two or more facilities before approving
307 the proposal to build a new facility. The commissioner shall also
308 consider whether an application to establish a new or replacement

309 nursing facility proposes a nontraditional, small-house style nursing
310 facility and incorporates goals for nursing facilities referenced in the
311 department's strategic state-wide long-term rebalancing plan for long-
312 term care, including, but not limited to, (1) promoting person-centered
313 care, (2) providing enhanced quality of care, (3) creating community
314 space for all nursing facility residents, and (4) developing stronger
315 connections between the nursing facility residents and the surrounding
316 community. [Bed]

317 (c) Demonstrated bed need shall be based on the recent occupancy
318 percentage of area nursing facilities [and the] with occupancy above
319 ninety-six per cent for a minimum of two consecutive quarters. The
320 department may consider projected bed need [for no more than five
321 years] into the future at [ninety-seven and one-half per cent] occupancy
322 above ninety-six per cent using the latest [official population projections
323 by town and age as published by the Office of Policy and Management
324 and the latest available state-wide nursing facility utilization statistics
325 by age cohort from the Department of Public Health] strategic state-
326 wide long-term rebalancing plan for long-term care as published by the
327 department. The commissioner may also consider area specific
328 utilization and reductions in utilization rates to account for the
329 increased use of less institutional alternatives.

330 Sec. 8. Section 17b-99a of the 2026 supplement to the general statutes
331 is repealed and the following is substituted in lieu thereof (*Effective July*
332 *1, 2026*):

333 (a) (1) For purposes of this section, (A) "extrapolation" means the
334 determination of an unknown value by projecting the results of the
335 review of a sample to the universe from which the sample was drawn,
336 (B) "facility" means any facility described in this subsection and for
337 which rates are established pursuant to section 17b-340, (C) "minimum
338 data set" means the federal resident assessment tool required by the
339 Centers for Medicare and Medicaid Services, and [(C)] (D) "universe"
340 means a defined population of claims submitted by a facility during a
341 specific time period.

342 (2) The Commissioner of Social Services shall conduct any audit of a
343 licensed chronic and convalescent nursing home, chronic disease
344 hospital associated with a chronic and convalescent nursing home, a rest
345 home with nursing supervision, a licensed residential care home, as
346 defined in section 19a-490, and a residential facility for persons with
347 intellectual disability which is licensed pursuant to section 17a-227 and
348 certified to participate in the Medicaid program as an intermediate care
349 facility for individuals with intellectual disabilities in accordance with
350 the provisions of this section.

351 (b) Not less than thirty days prior to the commencement of any such
352 audit, the commissioner shall provide written notification of the audit
353 to such facility, unless the commissioner makes a good-faith
354 determination that (1) the health or safety of a recipient of services is at
355 risk; or (2) the facility is engaging in vendor fraud under sections 53a-
356 290 to 53a-296, inclusive.

357 (c) Any clerical error, including, but not limited to, recordkeeping,
358 typographical, scrivener's or computer error, discovered in a record or
359 document produced for any such audit, shall not of itself constitute a
360 wilful violation of the rules of a medical assistance program
361 administered by the Department of Social Services unless proof of intent
362 to commit fraud or otherwise violate program rules is established. In
363 determining which facilities shall be subject to audits, the Commissioner
364 of Social Services may give consideration to the history of a facility's
365 compliance in addition to other criteria used to select a facility for an
366 audit.

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

373 (e) A facility, in complying with the requirements of any such audit,

374 shall be allowed not less than thirty days to provide documentation in
375 connection with any discrepancy discovered and brought to the
376 attention of such facility in the course of any such audit.

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

381 (g) The commissioner shall, following the issuance of the preliminary
382 report pursuant to subsection (f) of this section, hold an exit conference
383 with any facility that was the subject of any audit pursuant to this
384 subsection for the purpose of discussing the preliminary report. Such
385 facility may present evidence at such exit conference refuting findings
386 in the preliminary report.

387 (h) The commissioner shall produce a final written report concerning
388 any audit conducted pursuant to this subsection. Such final written
389 report shall be provided to the facility that was the subject of the audit
390 not later than sixty days after the date of the exit conference conducted
391 pursuant to subsection (g) of this section, unless the commissioner and
392 the facility agree to a later date or there are other referrals or
393 investigations pending concerning the facility.

394 (i) Any facility aggrieved by a final report issued pursuant to
395 subsection (h) of this section may request a rehearing. A rehearing shall
396 be held by the commissioner or the commissioner's designee, provided
397 a detailed written description of all items of aggrievement in the final
398 report is filed by the facility not later than ninety days following the date
399 of written notice of the commissioner's decision. The rehearing shall be
400 held not later than thirty days following the date of filing of the detailed
401 written description of each specific item of aggrievement. The
402 commissioner shall issue a final decision not later than sixty days
403 following the close of evidence or the date on which final briefs are filed,
404 whichever occurs later. Any items not resolved at such rehearing to the
405 satisfaction of the facility or the commissioner shall be submitted to

406 binding arbitration by an arbitration board consisting of one member
407 appointed by the facility, one member appointed by the commissioner
408 and one member appointed by the Chief Court Administrator from
409 among the retired judges of the Superior Court, which retired judge
410 shall be compensated for his services on such board in the same manner
411 as a state referee is compensated for his services under section 52-434.
412 The proceedings of the arbitration board and any decisions rendered by
413 such board shall be conducted in accordance with the provisions of the
414 Social Security Act, 42 USC 1396, as amended from time to time, and
415 chapter 54.

416 (j) The commissioner shall conduct audits of minimum data set
417 information used in the calculation of Medicaid acuity-based per diem
418 rates paid to licensed nursing homes. The commissioner shall conduct
419 an audit of minimum data set information in accordance with the
420 provisions of this section, except a nursing home shall provide all
421 documentation requested by the commissioner pursuant to the
422 minimum data set audit not later than ten days after the date on which
423 the commissioner requests such documentation. The commissioner
424 shall not accept any documentation submitted by a nursing home after
425 the completion of the exit conference portion of the audit unless the
426 commissioner and the nursing home agree to such submission of
427 documentation.

428 [(j)] (k) The submission of any false or misleading [fiscal] information
429 or data to the commissioner shall be grounds for suspension of
430 payments by the state under sections 17b-239 to 17b-246, inclusive, and
431 sections 17b-340, and 17b-343, in accordance with regulations adopted
432 by the commissioner. In addition, any person, including any
433 corporation, who knowingly makes or causes to be made any false or
434 misleading statement or who knowingly submits false or misleading
435 fiscal information or data on the forms approved by the commissioner
436 shall be guilty of a class D felony.

437 [(k)] (l) The commissioner, or any agent authorized by the
438 commissioner to conduct any inquiry, investigation or hearing under

439 the provisions of this section, shall have power to administer oaths and
440 take testimony under oath relative to the matter of inquiry or
441 investigation. At any hearing ordered by the commissioner, the
442 commissioner or such agent having authority by law to issue such
443 process may subpoena witnesses and require the production of records,
444 papers and documents pertinent to such inquiry. If any person disobeys
445 such process or, having appeared in obedience thereto, refuses to
446 answer any pertinent question put to the person by the commissioner or
447 the commissioner's authorized agent or to produce any records and
448 papers pursuant thereto, the commissioner or the commissioner's agent
449 may apply to the superior court for the judicial district of Hartford or
450 for the judicial district wherein the person resides or wherein the
451 business has been conducted, or to any judge of such court if the same
452 is not in session, setting forth such disobedience to process or refusal to
453 answer, and such court or judge shall cite such person to appear before
454 such court or judge to answer such question or to produce such records
455 and papers.

456 [(l)] (m) The commissioner shall provide free training to facilities on
457 the preparation of cost reports to avoid clerical errors and shall post
458 information on the department's Internet web site concerning the
459 auditing process and methods to avoid clerical errors. Not later than
460 April 1, 2015, the commissioner shall establish audit protocols to assist
461 facilities subject to audit pursuant to this section in developing
462 programs to improve compliance with Medicaid requirements under
463 state and federal laws and regulations, provided audit protocols may
464 not be relied upon to create a substantive or procedural right or benefit
465 enforceable at law or in equity by any person, including a corporation.
466 The commissioner shall establish and publish on the department's
467 Internet web site audit protocols for: (1) Licensed chronic and
468 convalescent nursing homes, (2) chronic disease hospitals associated
469 with chronic and convalescent nursing homes, (3) rest homes with
470 nursing supervision, (4) licensed residential care homes, as defined in
471 section 19a-490, and (5) residential facilities for persons with intellectual
472 disability that are licensed pursuant to section 17a-227 and certified to

473 participate in the Medicaid program as intermediate care facilities for
 474 individuals with intellectual disabilities. The commissioner shall ensure
 475 that the Department of Social Services, or any entity with which the
 476 commissioner contracts to conduct an audit pursuant to this section, has
 477 on staff or consults with, as needed, licensed health professionals with
 478 experience in treatment, billing and coding procedures used by the
 479 facilities being audited pursuant to this section."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	19a-564(e)
Sec. 2	<i>from passage</i>	7-127b
Sec. 3	<i>October 1, 2026</i>	New section
Sec. 4	<i>October 1, 2026</i>	29-453a
Sec. 5	<i>October 1, 2026</i>	New section
Sec. 6	<i>from passage</i>	17b-354(a)
Sec. 7	<i>from passage</i>	17b-355
Sec. 8	<i>July 1, 2026</i>	17b-99a