



STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE DEPUTY COMMISSIONER

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October 30 2019

Ephram Lahasky, Member
Waterbury Gardens for Nursing and Rehabilitation
128 Cedar Avenue
Waterbury, CT 06705

Dear Mr. Lahasky,

I am writing in response to your July 16, 2019 proposal to increase the Specialized Long Term Care (SLTC) beds at Waterbury Gardens. The remaining issues between Waterbury Gardens and the Department, specifically the rate appeals as well as the hearing to address the alleged violation of Conn. Gen. Stat. § 19a-533, remain pending.

Waterbury Gardens' SLTC unit has an authorized bed count of thirty with a historical census, since the spring of 2018, of approximately 15/30 (50%). The reduced occupancy is directly related to Waterbury Gardens' self-imposed freeze on new admissions to the SLTC beginning on or about April 19, 2018.

The April 19, 2018 letter from Attorney Menchel, advised the Department of the self-imposed freeze on admissions explaining that action was necessitated by the financial impact to Waterbury Gardens resulting from the Department's position on the effective date of the licensed bed reduction authorized through Certificate of Need Docket Number 16-708. Specifically, the Department recognized December 31, 2017 as the effective date of the licensed bed reduction rather than March 16, 2017. In an effort to reach a compromise, the Department revised the recognized effective date to March 16, 2017. In response to and in consideration of the Department's action, the Department was assured by Attorney Menchel that the freeze on the admission to the vent unit would be lifted. Despite those assurances, Waterbury Gardens did not lift the freeze and has continued its self-imposed freeze on admissions to the SLTC for approximately eighteen months. Most recently occupancy fell below the historical average to 40% with eighteen of the thirty beds remaining open as of October 17, 2019.

Through my letter of May 21, 2019 Waterbury Gardens was advised that if there was an interest in resuming admissions to the SLTC they were to submit a written proposal including documentation to support the demand for a thirty bed SLTC, a plan to increase staffing and a fill schedule. The Department has received, thoroughly reviewed and considered Waterbury Gardens' July 16, 2019 proposal to expand the SLTC to a thirty bed unit and the documentation to support the need for such an expansion.

In support of the demand for the increased number of beds, Waterbury Gardens included a referral form for the period the period January 2, 2018 through April 25, 2019. During that time period there were a total of sixty-five referrals, each of which were denied because "no vent bed"

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was available. Forty-three of the sixty-five denied referrals occurred during the period of Waterbury Gardens' self-imposed freeze on admissions. While applications for admission to Waterbury Gardens were directed to the referral source for each denial, only one application was returned and later withdrawn. Based on the documentation provided, at no time during the period January 2, 2018 through April 25, 2019 did Waterbury Gardens have a waitlist for admission. Further, despite the continued decrease in Waterbury Gardens' census the Department has no indication that there is an unmet need as we have not received any requests from hospitals for assistance with discharging people who require ventilator care. As such, the proposal did not demonstrate the need for thirty SLTC beds and for this reason, the Department is rejecting your proposal.

As specified in my letter of May 21, 2019, if your proposal was not accepted, the Department would terminate fifteen beds from the thirty bed SLTC unit. Therefore, the Department will terminate fifteen beds from the SLTC program effective Monday, November 4, 2019. The facility's total authorized complement of 150 Chronic and Convalescent Nursing Home beds is not impacted by the termination of fifteen beds participating in the SLTC program.

Please identify the fifteen beds that will comprise the SLTC unit and provide an updated floor plan to the Department no later than November 25, 2019. All current SLTC residents and new admissions should occupy the designated fifteen bed SLTC unit no later than February 29, 2020. The Department requests copies of correspondence pursuant to compliance with Conn. Gen. Stat. § 19a-535 for residents impacted by the SLTC unit reconfiguration. The Department's point of contact on these matters is Betsy Bujwid (Betsy.Bujwid@ct.gov).

As you know, Waterbury Gardens' decision to freeze admissions to the SLTC unit also impacted the interim rate replacements due to the application of the 90% occupancy standard. The interim rate replacements detailed in the June 28, 2019 rate letter were issued in accordance with the provisions of Conn. Gen. Stat. § 17b-340, applicable regulations, and any conditions included with the issuance of the interim rates.

Please be advised that the current CCNH prospective rate of \$263.73 will not be changed and an interim SLTC rate for 7/1/19 to 6/30/20 has been issued at \$372.89. All relevant recoupments will be processed.

Sincerely,



Kathleen M. Brennan
Deputy Commissioner

cc Kate McEvoy, Director
John McCormick, QA
Barbara Cass, DPH
Karen Coulombe, MSLC