

Nursing Home Pension Benefit Enhancement Program

Frequently Asked Questions

Update: March 2022

1. Is participation in this program mandatory?

Response: No. If a provider does not wish to participate in the program, they may opt out by completing the Certification Page in the Application form (Excel file) and check “Yes” in the drop-down box to opt out.

2. What is the application process for this program?

Response: Providers are required to submit their completed applications to con-ratesetting.dss@ct.gov by March 25, 2022. Applications received after this date will not be considered. We understand that it may take time to finalize new pension benefit enhancements, therefore, we suggest providers begin actively engaging in the planning process now. Each facility’s pro-rata share of available funding cannot be determined until all applications have been received.

3. How can providers attest to the accuracy of forecasted costs?

Response: The provider should be committed to a plan that includes the specific benefit enhancements they will be providing to employees and should therefore have an accurate estimate of their costs.

4. When will rate adjustments be effective?

Rate adjustments as a result of this program will be effective July 1, 2022.

5. When will rate adjustments be implemented?

Response: Our goal is to implement rate adjustments into the July 1, 2022 annual rates.

6. Will facilities that provide larger benefit enhancements receive a larger share of the available funding?

Response: The allocation of available funding will be distributed pro-rata based on the cost of each facility’s enhancements.

7. Can benefit enhancements be implemented in phases?

Response: No. Benefits should be implemented effective July 1, 2022.

Revised Response: Providers with benefit plans based on calendar year (e.g., a plan beginning January 1, 2022 rather than July 1, 2022) may apply to the program. The intent of the benefit program is to fund only the portion of the program effective July 1, 2022 and forward. The portion of a plan prior to July 1, 2022 will not be considered.

8. If a nursing facility implements benefits early on January 1, 2022, prior to the July 1, 2022 benefit enhancement period, would the home still be eligible for a higher reimbursement in July?

Response: No. To access this pool of funding, enhanced benefits should be implemented effective July 1, 2022.

Revised Response: Providers with benefit plans based on calendar year (e.g., a plan beginning January 1, 2022 rather than July 1, 2022) may apply to the program. The intent of the benefit program is to fund only the portion of the program effective July 1, 2022 and forward. The portion of a plan prior to July 1, 2022 will not be considered.

9. Will the information provided by facilities be protected from public disclosure?

Response: Nursing facilities may request that their application not be disclosed under the Freedom of Information Act. The application will include a field where providers can indicate they do not want their application subject to Freedom of Information requests.

Pension Enhancements

10. What are eligible pension plans?

Response: Eligible pension plans consist of both defined contribution plans and defined benefit plans. Both increased contributions to existing pension plans and the implementation of new pension plans are eligible costs under this program.

11. If a facility decides to start a new pension plan which results in a reduction to the cost of the existing pension plan, would reimbursement under this program be limited to the net impact?

Response: Yes. If the cost of existing pension plans is decreased or eliminated, reimbursement under this program for the cost of the new pension plan will be offset by the reduction in costs experienced due to changes to the existing plan.

Union Homes

12. Is a union Taft-Hartley Welfare Fund contribution increase as a result of an increase in the rate of contribution an eligible enhancement for this program?

Response: Yes. An increase in the contribution rate to a Taft-Hartley Welfare fund is an eligible enhancement for this program.

13. Is increased pension costs due to an increase in the rate of contribution to a union ERISA fund contribution eligible for this program?

Response: Yes. Increased pension costs due to an increase in the rate of contribution to a union ERISA fund contribution are eligible costs for this program.

14. If the nursing home facility employees' health care and pension benefits are controlled by a union under a collective bargaining agreement, how is the nursing facility to know or to demonstrate to the state that the increased funds they are being asked to contribute will be used toward enhancing the benefits? Will the application process address this situation?

Response: Nursing facilities are encouraged to work directly with the unions in understanding direct contributions to pension funds controlled by union membership. Because collective bargaining agreements are private contracts between the employer and employee, the state application process will not specifically address this situation. However, the Department does encourage both parties to work in demonstrating increased contributions to assure reimbursement of such costs.

Verification Procedures

15. Will benefit enhancements be verified on a line-by-line basis or in total?

Response: Benefit enhancements will be reviewed on a line-by-line basis in comparison to what was reported on the provider's application.