

1 **REPEAL OF HOSPITAL PROVIDERS**

2 **ASSESSMENT**

3 2000 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Howard C. Nielson**

6 AN ACT RELATING TO HEALTH; REPEALING THE HOSPITAL PROVIDER
7 ASSESSMENT; ANNUALLY APPROPRIATING \$5,500,000 FROM THE TOBACCO
8 SETTLEMENT ACCOUNT FOR THE CHILDREN'S HEALTH INSURANCE PROGRAM;
9 AND PROVIDING AN EFFECTIVE DATE.

10 This act affects sections of Utah Code Annotated 1953 as follows:

11 AMENDS:

12 **26-40-102**, as enacted by Chapter 360, Laws of Utah 1998

13 **26-40-103**, as last amended by Chapters 21 and 61, Laws of Utah 1999

14 **63-97-102**, as enacted by Chapter 78, Laws of Utah 1999

15 REPEALS:

16 **26-40-111**, as enacted by Chapter 360, Laws of Utah 1998

17 **26-40-112**, as last amended by Chapter 78, Laws of Utah 1999

18 **26-40-113**, as enacted by Chapter 360, Laws of Utah 1998

19 **26-40-114**, as enacted by Chapter 360, Laws of Utah 1998

20 *Be it enacted by the Legislature of the state of Utah:*

21 Section 1. Section **26-40-102** is amended to read:

22 **26-40-102. Definitions.**

23 As used in this chapter:

24 ~~[(1) "Assessment" means the hospital provider assessment established in Section~~
25 ~~26-40-111.]~~

26 ~~[(2)]~~ (1) "Child" means a person who is under 19 years of age.

27 ~~[(3)]~~ (2) "Eligible child" means a child who qualifies for enrollment in the program as

28 provided in Section 26-40-105.

29 ~~[(4)]~~ (3) "Enrollee" means any child enrolled in the program.

30 ~~[(5)]~~ "Freestanding ambulatory surgical facility" means an urban or rural nonhospital-based
31 or nonhospital-affiliated licensed facility, as defined in Section 26-21-2, as an ambulatory surgical
32 facility, with an organized professional staff that provides surgical services to patients who do not
33 require an inpatient bed.]

34 ~~[(6) (a)]~~ "Hospital" means any general acute hospital, as defined in Section 26-21-2,
35 operating in this state.]

36 ~~[(b)]~~ "Hospital" does not include:]

37 ~~[(i)]~~ a residential care or treatment facility, as defined in Subsections 62A-2-101(16), (17),
38 and (19);]

39 ~~[(ii)]~~ the Utah State Hospital;]

40 ~~[(iii)]~~ any rural hospital that operates outside of a metropolitan statistical area, a
41 metropolitan area, or an urbanized area as designated by the U.S. Bureau of Census; or]

42 ~~[(iv)]~~ any specialty hospital operating in this state, as defined in Section 26-21-2, that is
43 engaged exclusively in rendering psychiatric or other mental health treatment.]

44 ~~[(7)]~~ "Hospital-based ambulatory surgical facility" means an urban or rural on-hospital
45 campus or hospital-affiliated licensed facility with an organized professional staff that provides
46 surgical services to patients who do not require an inpatient bed.]

47 ~~[(8)]~~ (4) "Plan" means the department's plan submitted to the United States Department
48 of Health and Human Services pursuant to 42 U.S.C. Sec. 1397ff.

49 ~~[(9)]~~ (5) "Program" means the Utah Children's Health Insurance Program created by this
50 chapter.

51 Section 2. Section **26-40-103** is amended to read:

52 **26-40-103. Creation and administration of the Utah Children's Health Insurance**
53 **Program.**

54 (1) There is created the Utah Children's Health Insurance Program to be administered by
55 the department in accordance with the provisions of:

56 (a) this chapter; and

57 (b) the State Children's Health Insurance Program, 42 U.S.C. Sec. 1397aa et seq.

58 (2) The department shall:

59 (a) prepare and submit the state's children's health insurance plan before May 1, 1998, and
 60 any amendments to the federal Department of Health and Human Services in accordance with 42
 61 U.S.C. Sec. 1397ff; and

62 (b) make rules in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
 63 Act regarding:

64 (i) eligibility requirements consistent with Subsection 26-18-3(6);

65 (ii) program benefits;

66 (iii) the level of coverage for each program benefit;

67 (iv) cost-sharing requirements for enrollees, which may not:

68 (A) exceed the guidelines set forth in 42 U.S.C. Sec. 1397ee; or

69 (B) impose deductible, copayment, or coinsurance requirements on an enrollee for
 70 well-child, well-baby, and immunizations; and

71 (v) the administration of the program[; and].

72 [~~(vi) the provider assessment, including:~~]

73 [~~(A) the factor for the assessment;~~]

74 [~~(B) the administration, collection, and enforcement of the assessment, including:~~]

75 [~~(F) auditing a provider's records; and~~]

76 [~~(H) imposing penalties for failure to pay the assessment as required; and~~]

77 [~~(C) reducing the amount of the assessment to the extent funds are deposited into the
 78 Hospital Provider Assessment Account created in Section 26-40-112 as a result of private
 79 contributions to the program.]~~

80 (3) Before July 1, 2001, the Governor's Office of Planning and Budget shall study the
 81 effectiveness of the department's administration of the program and report any findings to:

82 (a) the Health and Human Services Interim Committee of the Legislature;

83 (b) the Health Policy Commission; and

84 (c) the department.

85 Section 3. Section **63-97-102** is amended to read:

86 **63-97-102. Creation of restricted account.**

87 (1) There is created within the General Fund a restricted account known as the Tobacco
 88 Settlement Account.

89 (2) The account shall consist of all funds received by the state that are related to the

90 settlement agreement that the state entered into with leading tobacco manufacturers on November
91 23, 1998.

92 (3) Funds in the account [~~may only be used~~] shall be used as follows:

93 (a) the first \$5,500,000 to the Department of Health for the Children's Health Insurance
94 Program created in Section 26-40-103; and

95 (b) the remaining funds as directed by the Legislature through appropriation.

96 **Section 4. Repealer.**

97 This act repeals:

98 Section **26-40-111, Provider assessment.**

99 Section **26-40-112, Hospital Provider Assessment Account.**

100 Section **26-40-113, Intergovernmental transfers.**

101 Section **26-40-114, Repeal of assessment.**

102 **Section 5. Appropriation.**

103 There is appropriated \$5,500,000 from the Tobacco Settlement Account within the General
104 Fund for fiscal year 2000-01 to the Department of Health for the Children's Health Insurance
105 Program created in Section 26-40-103.

106 **Section 6. Effective date.**

107 This act takes effect on July 1, 2000.

Legislative Review Note
as of 1-31-00 6:08 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel