

**Senator Peter C. Knudson** proposes to substitute the following bill:

**REPEAL OF NURSING FACILITIES**

**ASSESSMENT**

2001 GENERAL SESSION

STATE OF UTAH

**Sponsor: Peter C. Knudson**

**This act imposes a cap on the amount collected through the Nursing Facility Assessment Act. The act exempts the Utah State Veterans Nursing Home from the assessment. The act authorizes the Department of Health to set the rate of the assessment by rule. This act appropriates for the fiscal year 2001-02, \$1,300,000 from the Nursing Facilities Account to the University of Utah Health Science Center to fund Area Health Education Centers. This act appropriates \$1,000,000 in ongoing funds to the Department of Health. This act coordinates appropriations. This act takes effect July 1, 2001.**

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

AMENDS:

**26-35-103**, as last amended by Chapter 209, Laws of Utah 1997

**26-35-104**, as last amended by Chapter 67, Laws of Utah 2000

This act enacts uncodified material.

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

Section 1. Section **26-35-103** is amended to read:

**26-35-103. Definitions.**

As used in this chapter:

(1) (a) "Nursing facility" means a health care facility described in Section 26-21-2 or an intermediate care facility for the mentally retarded that is licensed under Section 26-21-13.5.

(b) "Nursing facility" does not include the Utah State Developmental Center, the Utah State Veterans Nursing Home, or the Utah State Hospital.



26 (2) "Patient day" means each calendar day in which an individual patient is admitted to the  
27 nursing facility during a calendar month, even if on a temporary leave of absence from the facility.

28 Section 2. Section **26-35-104** is amended to read:

29 **26-35-104. Collection, remittance, and payment of nursing facilities assessment.**

30 ~~[(1) An assessment is imposed upon each nursing care facility in the amount of \$1.83 per~~  
31 ~~patient day.]~~

32 (1) A uniform, broad-based, monthly rate of assessment based on patient days is imposed  
33 on each nursing care facility in accordance with department rule, which may not exceed  
34 \$3,400,000 in the aggregate in any fiscal year.

35 (2) (a) The assessment imposed by this chapter is due and payable on a monthly basis on  
36 or before the last day of the month next succeeding each monthly period.

37 (b) The collecting agent for this assessment shall be the department which is vested with  
38 the administration and enforcement of this chapter, including the right to audit records of a nursing  
39 facility related to patient days of care for the facility.

40 (c) The department shall forward proceeds from the assessment imposed by this chapter  
41 to the state treasurer for deposit in the General Fund as specified in Section 26-35-106.

42 (3) Each nursing facility shall, on or before the end of the month next succeeding each  
43 calendar monthly period, file with the department a return for the monthly period, and shall remit  
44 with the return the assessment required by this chapter to be paid for the period covered by the  
45 return.

46 (4) Each return shall contain information and be in the form the department prescribes by  
47 rule.

48 (5) The assessment as computed in the return shall be based on the total amount of patient  
49 days during the monthly period.

50 (6) The department may by rule, extend the time for making returns and paying the  
51 assessment.

52 (7) Each nursing facility that fails to pay any assessment required to be paid to the state,  
53 within the time required by this chapter, or that fails to file a return as required by this chapter,  
54 shall pay, in addition to the assessment, penalties and interest as provided in Section 26-35-105.

55 **Section 3. Appropriation.**

56 (1) There is appropriated from the Nursing Facilities Account within the General Fund for

57 fiscal year 2001-02 only, there is appropriated \$1,300,000 of the funds in the restricted account on  
58 June 30, 2001 to the University of Utah Health Science Center.

59 (2) It is the intent of the Legislature that this appropriation shall be used for expansion of  
60 the Area Health Education Center Program established in Section 26-9-3.

61 (3) Subject to future budget constraints, there is appropriated as an ongoing appropriation,  
62 \$1,000,000 for fiscal year 2001-02 from the General Fund to the Department of Health to replace  
63 funds that had been generated by the nursing facility assessment as provided in this bill.

64 **Section 4. Directions to Division of Finance for Appropriation.**

65 If this bill and S.B. 31, Area Health Education Center Amendments, both pass, it is the  
66 intent of the Legislature that the Division of Finance appropriate \$1,300,000 from this bill and not  
67 appropriate \$1,300,000 from the General Fund as provided in S.B. 31.

68 **Section 5. Effective date.**

69 This act takes effect on July 1, 2001.