HB0037S01 compared with HB0037

{deleted text} shows text that was in HB0037 but was deleted in HB0037S01.

Inserted text shows text that was not in HB0037 but was inserted into HB0037S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Stewart E. Barlow proposes the following substitute bill:

REAUTHORIZATION OF HOSPITAL PROVIDER ASSESSMENT ACT

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stewart E. Barlow

Senate Sponsor: ____________

LONG TITLE

{**Committee Note:**

The Health and Human Services Interim Committee recommended this bill.

}**General Description:**

This bill amends and reauthorizes the Hospital Provider Assessment Act.

Highlighted Provisions:

This bill:

- amends provisions relating to the calculation of hospital provider assessment rates; and
- extends the sunset date for the Hospital Provider Assessment Act for five years.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

26-36d-203, as enacted by Laws of Utah 2018, Third Special Session, Chapter 1

26-36d-205, as enacted by Laws of Utah 2018, Third Special Session, Chapter 1

63I-1-226, as last amended by Laws of Utah 2018, Chapters 180, 281, 384, 430, and 468

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

Section 1. Section **26-36d-203** is amended to read:

26-36d-203. Calculation of assessment.

(1) (a) An annual assessment is payable on a quarterly basis for each hospital in an amount calculated at a uniform assessment rate for each hospital discharge, in accordance with this section.

(b) The uniform assessment rate shall be determined using the total number of hospital discharges for assessed hospitals divided into the total non-federal portion in an amount consistent with [~~Section~~] Subsections 26-36d-205 (1)(a) and (b) that is needed to support capitated rates for accountable care organizations for purposes of hospital services provided to Medicaid enrollees.

(c) Any quarterly changes to the uniform assessment rate shall be applied uniformly to all assessed hospitals.

(d) The annual uniform assessment rate may not generate more than:

(i) $1,000,000 to offset Medicaid mandatory expenditures; and

(ii) the non-federal share to seed amounts needed to support capitated rates for accountable care organizations as provided for in Subsection (1)(b).

(2) (a) For each state fiscal year, discharges shall be determined using the data from each hospital's Medicare Cost Report contained in the Centers for Medicare and Medicaid Services' Healthcare Cost Report Information System file. The hospital's discharge data will be derived as follows:

(i) for state fiscal year 2013, the hospital's cost report data for the hospital's fiscal year ending between July 1, 2009, and June 30, 2010;

(ii) for state fiscal year 2014, the hospital's cost report data for the hospital's fiscal year ending between July 1, 2010, and June 30, 2011;

(iii) for state fiscal year 2015, the hospital's cost report data for the hospital's fiscal year ending between July 1, 2011, and June 30, 2012;

(iv) for state fiscal year 2016, the hospital's cost report data for the hospital's fiscal year ending between July 1, 2012, and June 30, 2013; and

(v) for each subsequent state fiscal year, the hospital's cost report data for the hospital's fiscal year that ended in the state fiscal year two years prior to the assessment fiscal year.

(b) If a hospital's fiscal year Medicare Cost Report is not contained in the Centers for Medicare and Medicaid Services' Healthcare Cost Report Information System file:

(i) the hospital shall submit to the division a copy of the hospital's Medicare Cost Report applicable to the assessment year; and

(ii) the division shall determine the hospital's discharges.

(c) If a hospital is not certified by the Medicare program and is not required to file a Medicare Cost Report:

(i) the hospital shall submit to the division its applicable fiscal year discharges with supporting documentation;

(ii) the division shall determine the hospital's discharges from the information submitted under Subsection (2)(c)(i); and

(iii) the failure to submit discharge information shall result in an audit of the hospital's records and a penalty equal to 5% of the calculated assessment.

(3) Except as provided in Subsection (4), if a hospital is owned by an organization that owns more than one hospital in the state:

(a) the assessment for each hospital shall be separately calculated by the department; and

(b) each separate hospital shall pay the assessment imposed by this chapter.

(4) Notwithstanding the requirement of Subsection (3), if multiple hospitals use the same Medicaid provider number:

(a) the department shall calculate the assessment in the aggregate for the hospitals

using the same Medicaid provider number; and

(b) the hospitals may pay the assessment in the aggregate.

Section 2. Section **26-36d-205** is amended to read:

26-36d-205. Medicaid hospital adjustment under accountable care organization rates.

(1) To preserve and improve access to hospital services, the division shall, for accountable care organization rates effective on or after April 1, 2013, incorporate [an annualized amount equal to $154,000,000] into the accountable care organization rate structure calculation consistent with the certified actuarial rate range{.

Section 1}[.]:

(a) $154,000,000 to be allocated towards the hospital inpatient directed payments for the Medicaid eligibility categories covered in Utah before January 1, 2019; and

(b) an amount equal to the difference between payments made to hospitals by accountable care organizations for the Medicaid eligibility categories covered in Utah before January 1, 2019, based on submitted encounter data and the maximum amount that could be paid for those services using Medicare payment principles to be used for directed payments to hospitals for outpatient services.

(2) (i) The department shall consider all amounts included in the accountable care organization rate structure under this section as target amounts.

(ii) The department may not require retroactive reconciliation as a result of enrollment changes or changes in other parts of the accountable care organization rate structure.

Section 3. Section **63I-1-226** is amended to read:

63I-1-226. Repeal dates, Title 26.

(1) Section 26-1-40 is repealed July 1, 2019.

(2) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July 1, 2025.

(3) Section 26-10-11 is repealed July 1, 2020.

(4) Subsection 26-18-417(3) is repealed July 1, 2020.

(5) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1, 2024.

(6) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1, 2024.

(7) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed

July 1, 2024.

(8) Title 26, Chapter 36d, Hospital Provider Assessment Act, is repealed July 1, [~~2019~~] <u>2024</u>.

(9) Title 26, Chapter 56, Hemp Extract Registration Act, is repealed January 1, 2019.

(10) Title 26, Chapter 63, Nurse Home Visiting Pay-for-Success Program, is repealed July 1, 2026.