

Representative Steve Eliason proposes the following substitute bill:

HOSPITAL ASSESSMENT AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

House Sponsor: Steve Eliason

LONG TITLE

General Description:

This bill amends the hospital provider assessment.

Highlighted Provisions:

This bill:

- ▶ amends factors that the Medicaid program incorporates into the accountable care organization payment rate structure; and
- ▶ extends the sunset for the hospital provider assessment.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

- 26-36d-205**, as repealed and reenacted by Laws of Utah 2019, Chapter 455
- 26-36d-207**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 20
- 63I-1-226**, as last amended by Laws of Utah 2022, Chapters 194, 206, 224, 253, 255, 347, and 451



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

27 Section 1. Section **26-36d-205** is amended to read:

28 **26-36d-205. Medicaid hospital adjustment under accountable care organization**
29 **rates.**

30 (1) To preserve and improve access to hospital services, the division shall~~[for~~
31 ~~accountable care organization rates effective on or after April 1, 2013;]~~ incorporate into the
32 accountable care organization rate structure calculation consistent with the certified actuarial
33 rate range:

34 ~~[(+)]~~ (a) \$154,000,000 to be allocated toward the hospital inpatient directed payments
35 for the Medicaid eligibility categories covered in Utah before January 1, 2019; and

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

41 (2) (a) To preserve and improve the quality of inpatient and outpatient hospital services
42 authorized under Subsection (1)(b), the division shall amend its quality strategies required by
43 42 C.F.R. Sec. 438.340 to include quality measures selected from the CMS hospital quality
44 improvement programs.

45 (b) To better address the unique needs of rural and specialty hospitals, the division may
46 adopt different quality standards for rural and specialty hospitals.

47 (c) The division shall make rules in accordance with Title 63G, Chapter 3, Utah
48 Administrative Rulemaking Act, to adopt the selected quality measures and prescribe penalties
49 for not meeting the quality standards that are established by the division by rule.

50 (d) The division shall apply the same quality measures and penalties under this
51 Subsection (2) to new directed payments made to the University of Utah Hospital and Clinics.

52 Section 2. Section **26-36d-207** is amended to read:

53 **26-36d-207. Hospital Provider Assessment Expendable Revenue Fund.**

54 (1) There is created an expendable special revenue fund known as the "Hospital
55 Provider Assessment Expendable Revenue Fund."

56 (2) The fund shall consist of:

57 (a) the assessments collected by the department under this chapter;
58 (b) any interest and penalties levied with the administration of this chapter; and
59 (c) any other funds received as donations for the fund and appropriations from other
60 sources.

61 (3) Money in the fund shall be used:

62 (a) to support capitated rates consistent with Subsection 26-36d-203(1)(d) for
63 accountable care organizations; [~~and~~]

64 (b) to implement the quality strategies described in Subsection 26-36d-205(2), except
65 that the amount under this Subsection (3)(b) may not exceed \$211,300 in each fiscal year; and

66 [~~(b)~~] (c) to reimburse money collected by the division from a hospital through a
67 mistake made under this chapter.

68 (4) (a) Subject to Subsection (4)(b), for the fiscal year beginning July 1, 2019, and
69 ending July 1, 2020, any fund balance in excess of the amount necessary to pay for the costs
70 described in Subsection (3) shall be deposited into the General Fund.

71 (b) Subsection (4)(a) applies only to funds that were appropriated by the Legislature
72 from the General Fund to the fund and the interest and penalties deposited into the fund under
73 Subsection (2)(b).

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

75 **63I-1-226. Repeal dates: Title 26 through 26B.**

76 (1) Section 26-1-7.5, which creates the Utah Health Advisory Council, is repealed July
77 1, 2025.

78 (2) Section 26-1-40 is repealed July 1, 2022.

79 (3) Section 26-1-41 is repealed July 1, 2026.

80 (4) Section 26-1-43 is repealed December 31, 2025.

81 (5) Section 26-7-10 is repealed July 1, 2025.

82 (6) Subsection 26-7-11(5), regarding reports to the Legislature, is repealed July 1,
83 2028.

84 (7) Section 26-7-14 is repealed December 31, 2027.

85 (8) Section 26-8a-603 is repealed July 1, 2027.

86 (9) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July
87 1, 2025.

88 (10) Subsection 26-10-6(5), which creates the Newborn Hearing Screening Committee,
89 is repealed July 1, 2026.

90 (11) Section 26-10b-106, which creates the Primary Care Grant Committee, is repealed
91 July 1, 2025.

92 (12) Subsection 26-15c-104(3), relating to a limitation on the number of
93 microenterprise home kitchen permits that may be issued, is repealed July 1, 2022.

94 (13) Subsection 26-18-2.6(9), which addresses reimbursement for dental hygienists, is
95 repealed July 1, 2028.

96 (14) Section 26-18-27 is repealed July 1, 2025.

97 (15) Section 26-18-28 is repealed June 30, 2027.

98 (16) Title 26, Chapter 18, Part 2, Drug Utilization Review Board, is repealed July 1,
99 2027.

100 (17) Subsection 26-18-418(2), the language that states "and the Behavioral Health
101 Crisis Response Commission created in Section 63C-18-202" is repealed July 1, 2023.

102 (18) Section 26-33a-117 is repealed December 31, 2023.

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

104 (20) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1,
105 2024.

106 (21) Title 26, Chapter 36c, Medicaid Expansion Hospital Assessment Act, is repealed
107 July 1, 2024.

108 (22) Title 26, Chapter 36d, Hospital Provider Assessment Act, is repealed July 1,
109 [~~2024~~] 2028.

110 (23) Section 26-39-201, which creates the Residential Child Care Licensing Advisory
111 Committee, is repealed July 1, 2024.

112 (24) Section 26-39-405, Drinking water quality in child care centers, is repealed July 1,
113 2027.

114 (25) Section 26-40-104, which creates the Utah Children's Health Insurance Program
115 Advisory Council, is repealed July 1, 2025.

116 (26) Section 26-50-202, which creates the Traumatic Brain Injury Advisory
117 Committee, is repealed July 1, 2025.

118 (27) Title 26, Chapter 54, Spinal Cord and Brain Injury Rehabilitation Fund and

- 119 Pediatric Neuro-Rehabilitation Fund, is repealed January 1, 2025.
- 120 (28) Title 26, Chapter 66, Early Childhood Utah Advisory Council, is repealed July 1,
121 2026.
- 122 (29) Title 26, Chapter 68, COVID-19 Vaccine Restrictions Act, is repealed July 1,
123 2024.
- 124 (30) Section 26-69-406 is repealed July 1, 2025.
- 125 (31) Subsection 26B-1-204(2)(i), related to the Residential Child Care Licensing
126 Advisory Committee, is repealed July 1, 2024.
- 127 (32) Subsection 26B-1-204(2)(k), related to the Primary Care Grant Committee, is
128 repealed July 1, 2025.