

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1075 Session of 2013

INTRODUCED BY MOUL, CALTAGIRONE, DAVIS, HENNESSEY, COHEN, KORTZ,
D. COSTA, MUNDY, HESS, QUINN, DAVIDSON, FABRIZIO, MURT AND
BISHOP, APRIL 2, 2013

AS AMENDED ON THIRD CONSIDERATION, JUNE 30, 2013

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An
2 act to consolidate, editorially revise, and codify the public
3 welfare laws of the Commonwealth," CHANGING THE NAME OF THE <--
4 DEPARTMENT OF PUBLIC WELFARE TO THE DEPARTMENT OF HUMAN
5 SERVICES AND PROVIDING FOR A TRANSITION PERIOD; IN GENERAL
6 POWERS AND DUTIES OF THE DEPARTMENT OF PUBLIC WELFARE,
7 FURTHER PROVIDING FOR COUNTY HUMAN SERVICES CONSOLIDATED
8 PLANNING AND REPORTING; IN PUBLIC ASSISTANCE, FURTHER
9 PROVIDING FOR MEDICAL ASSISTANCE PAYMENTS FOR INSTITUTIONAL
10 CARE AND FOR MEDICAL ASSISTANCE BENEFIT PACKAGES, COVERAGE,
11 COPAYMENTS, PREMIUMS AND RATES; IN CHILDREN AND YOUTH,
12 FURTHER PROVIDING FOR PAYMENTS TO COUNTIES FOR SERVICES TO
13 CHILDREN AND PROVIDING FOR PROVIDER SUBMISSIONS; IN
14 INTERMEDIATE CARE FACILITIES ASSESSMENTS, FURTHER PROVIDING
15 FOR TIME PERIODS AND MAKING EDITORIAL CHANGES; IN HOSPITAL
16 ASSESSMENTS, FURTHER PROVIDING FOR AUTHORIZATION AND FOR TIME
17 PERIOD; IN STATEWIDE QUALITY CARE ASSESSMENT, REENACTING AND <--
18 FURTHER DEFINING "NET INPATIENT REVENUE," PROVIDING FOR
19 IMPLEMENTATION, FOR ADMINISTRATION, FOR LIMITATIONS AND FOR
20 EXPIRATION; IN PENNSYLVANIA TRAUMA SYSTEMS STABILIZATION,
21 FURTHER PROVIDING FOR FUNDING; in kinship care, further
22 providing for scope and for definitions; ~~and~~ providing for <--
23 family finding; AND, IN HUMAN SERVICES BLOCK GRANT PILOT <--
24 PROGRAM, FURTHER PROVIDING FOR ESTABLISHMENT OF HUMAN
25 SERVICES BLOCK GRANT PILOT PROGRAM, FOR POWERS AND DUTIES OF
26 THE DEPARTMENT, FOR POWERS AND DUTIES OF COUNTIES, FOR
27 ALLOCATION AND FOR USE OF BLOCK GRANT FUNDS.

28 THE GENERAL ASSEMBLY FINDS AND DECLARES AS FOLLOWS: <--

29 (1) IT IS THE PURPOSE OF THIS ACT TO PROVIDE FISCAL AND

1 ADMINISTRATIVE SUPPORT THAT PROMOTES THE HEALTH, SAFETY AND
2 WELFARE OF THE CITIZENS OF THIS COMMONWEALTH.

3 (2) PENNSYLVANIA, THROUGH THE DEPARTMENT OF PUBLIC
4 WELFARE AND THE COUNTIES, PROVIDES A BROAD ARRAY OF HEALTH
5 CARE AND OTHER HUMAN SERVICES TO LOW INCOME FAMILIES,
6 CHILDREN AND YOUTH, THOSE WITH INTELLECTUAL AND PHYSICAL
7 DISABILITIES AND THE ELDERLY.

8 (3) SECTION 24 OF ARTICLE III OF THE CONSTITUTION OF
9 PENNSYLVANIA REQUIRES THE GENERAL ASSEMBLY TO ADOPT ALL
10 APPROPRIATIONS FOR THE OPERATION OF GOVERNMENT IN THIS
11 COMMONWEALTH. THE SUPREME COURT HAS REPEATEDLY AFFIRMED THAT,
12 "IT IS FUNDAMENTAL WITHIN PENNSYLVANIA'S TRIPARTITE SYSTEM
13 THAT THE GENERAL ASSEMBLY ENACTS THE LEGISLATION ESTABLISHING
14 THOSE PROGRAMS WHICH THE STATE PROVIDES FOR ITS CITIZENS AND
15 APPROPRIATES THE FUNDS NECESSARY FOR THEIR OPERATION."

16 (4) SECTION 11 OF ARTICLE III OF THE CONSTITUTION OF
17 PENNSYLVANIA REQUIRES THE ADOPTION OF A GENERAL APPROPRIATION
18 BILL THAT EMBRACES "NOTHING BUT APPROPRIATIONS." WHILE ACTUAL
19 APPROPRIATION CAN BE CONTAINED IN A GENERAL APPROPRIATIONS
20 ACT, THE ACHIEVEMENT AND IMPLEMENTATION OF A COMPREHENSIVE
21 BUDGET INVOLVES MUCH MORE THAN APPROPRIATIONS. ULTIMATELY,
22 THE BUDGET HAS TO BE BALANCED UNDER SECTION 13 OF ARTICLE
23 VIII OF THE CONSTITUTION OF PENNSYLVANIA. THIS MAY
24 NECESSITATE CHANGES TO SOURCES OF FUNDING AND ENACTMENT OF
25 STATUTES TO ACHIEVE FULL COMPLIANCE WITH THESE CONSTITUTIONAL
26 PROVISIONS.

27 (5) THEREFORE, IT IS THE INTENT OF THE GENERAL ASSEMBLY
28 THROUGH THIS ACT TO PROVIDE FURTHER IMPLEMENTATION OF THE
29 GENERAL APPROPRIATION ACT OF 2013, AS IT AFFECTS THE
30 OPERATIONS AND FUNDING FOR THE DELIVERY OF HEALTH CARE AND

1 HUMAN SERVICES THAT PROTECT OUR MOST VULNERABLE AND NEEDY
2 CITIZENS.

3 (6) THIS ACT SHALL ACCOMPLISH ALL OF THE FOLLOWING:

4 (I) PROVIDE FOR THE EXPANSION OF THE HUMAN SERVICES
5 BLOCK GRANT PILOT PROGRAM.

6 (II) EXTEND THE AUTHORITY FOR STATE AND LOCAL
7 ASSESSMENTS THAT SUPPORT HOSPITALS AND INTERMEDIATE CARE
8 FACILITIES FOR PERSONS WITH AN INTELLECTUAL DISABILITY
9 THAT SERVE PERSONS IN THE MEDICAL ASSISTANCE PROGRAM.

10 (III) PROVIDE FOR SEPARATE MEDICAL ASSISTANCE FEE-
11 FOR-SERVICE PAYMENTS FOR NORMAL NEWBORN CARE AND FOR
12 MOTHERS' OBSTETRICAL DELIVERY.

13 (IV) REAUTHORIZE THE NURSING FACILITY REVENUE
14 ADJUSTMENT NEUTRALITY FACTOR TO PROVIDE CONTINUED
15 PAYMENTS FOR NURSING FACILITIES THAT SERVE PERSONS IN THE
16 MEDICAL ASSISTANCE PROGRAM.

17 (V) PROVIDE FOR QUARTERLY MEDICAL ASSISTANCE DAY ONE
18 INCENTIVE PAYMENTS TO QUALIFIED NONPUBLIC NURSING
19 FACILITIES.

20 (VI) PROVIDE FOR PUBLICATION OF A PREMIUM SCHEDULE
21 FOR FAMILIES WITH CHILDREN WITH SPECIAL NEEDS, WHO
22 RECEIVE BENEFITS UNDER THE MEDICAL ASSISTANCE PROGRAM.

23 (VII) ESTABLISH A PROCESS TO ASSURE THAT THE REVENUE
24 OF THE COMMONWEALTH IS TIMELY DISBURSED AND EXPENDED
25 PROPERLY FOR THE DELIVERY OF PUBLIC CHILD WELFARE
26 SERVICES.

27 (VIII) REAUTHORIZE THE REALLOCATION OF EXCESS FUNDS
28 FOR PAYMENT TO QUALIFYING HOSPITALS ACCREDITED OR SEEKING
29 ACCREDITATION AS LEVEL III TRAUMA CENTERS.

30 (IX) CHANGE THE NAME OF THE DEPARTMENT OF PUBLIC

1 WELFARE TO THE DEPARTMENT OF HUMAN SERVICES.

2 (X) PROVIDE FOR THE DEVELOPMENT AND IMPLEMENTATION
3 OF AN ENHANCED MEDICAL SERVICES DELIVERY SYSTEM.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 ~~Section 1. The heading of Article XIII of the act of June <--~~
7 ~~13, 1967 (P.L.31, No.21), known as the Public Welfare Code,~~
8 ~~added September 30, 2003 (P.L.169, No.25), is amended to read:~~

9 SECTION 1. SECTION 102 OF THE ACT OF JUNE 13, 1967 (P.L.31, <--
10 NO.21), KNOWN AS THE PUBLIC WELFARE CODE, IS AMENDED TO READ:

11 SECTION 102. DEFINITIONS.--SUBJECT TO ADDITIONAL DEFINITIONS
12 CONTAINED IN SUBSEQUENT ARTICLES OF THIS ACT, THE FOLLOWING
13 WORDS WHEN USED IN THIS ACT SHALL HAVE, UNLESS THE CONTEXT
14 CLEARLY INDICATES OTHERWISE, THE MEANINGS GIVEN THEM IN THIS
15 SECTION:

16 "DEPARTMENT" MEANS THE DEPARTMENT OF [PUBLIC WELFARE] HUMAN
17 SERVICES OF THIS COMMONWEALTH.

18 "SECRETARY" MEANS THE SECRETARY OF [PUBLIC WELFARE] HUMAN
19 SERVICES OF THIS COMMONWEALTH.

20 SECTION 2. THE ACT IS AMENDED BY ADDING SECTIONS TO READ:

21 SECTION 103. REDESIGNATION.--(A) THE DEPARTMENT OF PUBLIC
22 WELFARE SHALL BE KNOWN AS THE DEPARTMENT OF HUMAN SERVICES.

23 (B) A REFERENCE TO THE DEPARTMENT OF PUBLIC WELFARE IN A
24 STATUTE OR A REGULATION SHALL BE DEEMED A REFERENCE TO THE
25 DEPARTMENT OF HUMAN SERVICES.

26 (C) IN ORDER TO PROVIDE AN EFFICIENT AND COST-MINIMIZING
27 TRANSITION, LICENSES, CONTRACTS, DEEDS AND ANY OTHER OFFICIAL
28 ACTIONS OF THE DEPARTMENT OF PUBLIC WELFARE SHALL NOT BE
29 AFFECTED BY THE USE OF THE DESIGNATION OF THE DEPARTMENT AS THE
30 DEPARTMENT OF HUMAN SERVICES. THE DEPARTMENT MAY CONTINUE TO USE

1 THE NAME DEPARTMENT OF PUBLIC WELFARE ON BADGES, LICENSES,
2 CONTRACTS, DEEDS, STATIONERY AND ANY OTHER OFFICIAL DOCUMENTS
3 UNTIL EXISTING SUPPLIES ARE EXHAUSTED. THE DEPARTMENT OF PUBLIC
4 WELFARE MAY SUBSTITUTE THE TITLE "DEPARTMENT OF HUMAN SERVICES"
5 FOR "DEPARTMENT OF PUBLIC WELFARE" ON ITS DOCUMENTS AND
6 MATERIALS ON SUCH SCHEDULE AS IT DEEMS APPROPRIATE.

7 (D) THE DEPARTMENT OF HUMAN SERVICES SHALL NOT REPLACE
8 EXISTING SIGNAGE AT DEPARTMENT LOCATIONS WITH THE REDESIGNATED
9 NAME UNTIL THE SIGNS ARE WORN AND IN NEED OF REPLACEMENT. THIS
10 TRANSITION SHALL BE COORDINATED WITH CHANGES IN ADMINISTRATION.

11 (E) THE DEPARTMENT SHALL CONTINUE TO USE THE NAME DEPARTMENT
12 OF PUBLIC WELFARE ON ITS COMPUTER SYSTEMS UNTIL THE TIME OF
13 ROUTINE UPGRADES IN EACH COMPUTER SYSTEM IN THE DEPARTMENT. THE
14 CHANGE IN NAME SHALL BE MADE AT THE TIME OF THE ROUTINE UPGRADE
15 TO THE DEPARTMENT COMPUTER SYSTEMS.

16 SECTION 441.10. ENHANCED MEDICAL SERVICES DELIVERY SYSTEM.--

17 (A) ANY ENHANCED MEDICAL SERVICES DELIVERY SYSTEM DEVELOPED
18 COLLABORATIVELY WITH THE UNITED STATES DEPARTMENT OF HEALTH AND
19 HUMAN SERVICES AND APPROVED FOR THIS COMMONWEALTH SHALL CONSIDER
20 AND RECOGNIZE ALL OF THE FOLLOWING DESIGN OPTIONS OR REFORMS:

21 (1) BENEFIT DESIGN MODIFICATIONS THAT MAKE THE MEDICAL
22 ASSISTANCE PROGRAM RESPONSIVE AND FLEXIBLE TO CHANGING NEEDS AND
23 DEMANDS, THEREBY ALLOWING AN EXPANSION OF COVERAGE TO ADDITIONAL
24 CITIZENS OF THIS COMMONWEALTH.

25 (2) IMPROVED ACCOUNTABILITY AND PERSONAL RESPONSIBILITY
26 THROUGH COST SHARING THAT INCLUDES REASONABLE LOW-COST PREMIUMS
27 OR COPAY REQUIREMENTS, WHICH ENCOURAGE PROPER UTILIZATION AND
28 THE DELIVERY OF SERVICES TO THOSE WHO NEED THEM MOST.

29 (3) PLAN DESIGN FEATURES THAT PARALLEL THE SERVICES AND
30 BENEFITS AVAILABLE TO CITIZENS OF THIS COMMONWEALTH WITH

1 COMMERCIAL INSURANCE COVERAGE AND MEET THE REQUIREMENTS OF AN
2 ESSENTIAL HEALTH BENEFIT PLAN AS DEFINED UNDER THE PATIENT
3 PROTECTION AND AFFORDABLE CARE ACT (PUBLIC LAW 111-148, 1124
4 STAT. 119), INCLUDING THE DELIVERY OF BEHAVIORAL HEALTH
5 SERVICES.

6 (4) MAXIMIZED USE OF COMMERCIAL INSURANCE THAT TAKES AN
7 INTEGRATED AND MARKET-BASED APPROACH WITH NEW COVERAGE
8 OPPORTUNITIES, MARKET COMPETITION AND ALTERNATIVES TO THE
9 EXISTING MEDICAL ASSISTANCE PROGRAM WHEN DETERMINED TO BE MORE
10 FISCALLY SOUND AND APPROPRIATE, INCLUDING MOVEMENT TO THE HEALTH
11 CARE EXCHANGE FOR THOSE IN THE MEDICAL ASSISTANCE FOR WORKERS
12 WITH DISABILITIES PROGRAM.

13 (5) IMPLEMENTATION OF AN ENHANCED MEDICAL SERVICES DELIVERY
14 SYSTEM THAT UTILIZES EXISTING OR SUPPLEMENTAL PLANS FOR MEDICAL
15 ASSISTANCE PROGRAMS AS CONTRACTED BY THE DEPARTMENT, USING A
16 RISK-BASED APPROACH FOR REIMBURSING MEDICAID MANAGED CARE
17 ORGANIZATIONS.

18 (6) CONTINUED OPERATION OF THE CHILDREN'S HEALTH INSURANCE
19 PROGRAM IN A FORM THAT DOES NOT UNNECESSARILY REQUIRE A SHIFT TO
20 MEDICAL ASSISTANCE OR AN ENHANCED MEDICAL SERVICES DELIVERY
21 SYSTEM.

22 (7) REASONABLE EMPLOYMENT AND JOB SEARCH REQUIREMENTS FOR
23 THOSE PHYSICALLY OR MENTALLY ABLE, AS WELL AS APPROPRIATE LIMITS
24 ON NONESSENTIAL BENEFITS, SUCH AS NONEMERGENCY TRANSPORTATION.

25 (8) IMPROVED ACCESS AND CONTINUITY OF CARE, WITH FEDERAL AND
26 STATE SUPPORT FOR THE USE OF COMMUNITY-BASED HEALTH CENTERS,
27 MEDICAL HOMES, EXPANDED SCOPE OF PRACTICE AND TARGETED CHRONIC
28 CARE, INCLUDING A MANAGED LONG-TERM CARE PILOT PROGRAM AND OTHER
29 LONG-TERM CARE MEASURES, THAT PROVIDE COORDINATION AND DELIVERY
30 OF PREVENTIVE CARE AND ASSURE THE WELLNESS OF THE SERVED

1 POPULATION.

2 (9) USE OF COMPETITIVE AND VALUE-BASED PURCHASING FROM
3 MEDICAL PROVIDERS AND MEDICAL EQUIPMENT SUPPLIERS THAT PROMOTES
4 EFFICIENCIES AND DELIVERS VALUE TO TAXPAYERS.

5 (10) CONTINUED EMPHASIS ON THE REDUCTION OF WASTE, FRAUD AND
6 ABUSE IN ALL FACETS OF THE MEDICAL SERVICES DELIVERY AND
7 PROVIDER SYSTEM, WITH FOCUSED ATTENTION ON CREDIBLE ALLEGATIONS
8 OF FRAUD BY PROVIDERS AND THE USE OF PREDICTIVE MODELING.

9 (11) RESOLUTION ON EXISTING FEDERAL DEFERRALS AND
10 DISALLOWANCES AS THEY RELATE TO THE PENNSYLVANIA MEDICAID
11 PROGRAM WITH MINIMAL FINANCIAL IMPACT TO THE COMMONWEALTH.

12 (12) MAINTAINED ALLOWANCE OF THE COMMONWEALTH'S CURRENT
13 GROSS RECEIPTS TAX ON MEDICAID MANAGED CARE ORGANIZATIONS FOR
14 THE DURATION OF ANY ENHANCED MEDICAL SERVICES DELIVERY SYSTEM IN
15 THE COMMONWEALTH.

16 (13) APPLICATION OF THE FEDERAL FINANCIAL PARTICIPATION RATE
17 CURRENTLY PROVIDED TO THE COMMONWEALTH, BASED ON EXISTING
18 FEDERAL CALCULATIONS, FOR MEDICAL ASSISTANCE AND ALL OTHER
19 ELIGIBLE PROGRAMS AND SERVICES THAT RECEIVE A FEDERAL MATCH.

20 (14) AFFIRMATION THAT ANY EXPANDED COVERAGE UNDER THE
21 ENHANCED MEDICAL SERVICES DELIVERY SYSTEM DOES NOT CONSTITUTE AN
22 ENTITLEMENT AT THE FEDERAL OR STATE LEVEL.

23 (B) THE ADOPTION OF AN AGREEMENT TO CREATE AN ENHANCED
24 MEDICAL SERVICES DELIVERY SYSTEM IN THIS COMMONWEALTH FOR ADULTS
25 RANGING FROM 19 TO 65 YEARS OF AGE NECESSITATES FURTHER
26 DISCUSSIONS WITH THE UNITED STATES DEPARTMENT OF HEALTH AND
27 HUMAN SERVICES TO ENSURE THAT IT CAN BE ACCOMPLISHED IN AN
28 INTEGRATED, COST-EFFECTIVE AND FISCALLY SUSTAINABLE MANNER AND
29 THAT TAXPAYER DOLLARS DERIVED DIRECTLY FROM CITIZENS OF THIS
30 COMMONWEALTH, WHICH ARE GOING TO THE FEDERAL GOVERNMENT UNDER

1 THE PATIENT PROTECTION AND AFFORDABLE CARE ACT (PUBLIC LAW 111-
2 148, 124 STAT. 119), GENERATE SERVICES TO THE CITIZENS OF THIS
3 COMMONWEALTH IN PROPORTION TO THAT SIGNIFICANT INVESTMENT.

4 (C) RECOGNITION AND FURTHERANCE OF THE OBJECTIVES SET FORTH
5 UNDER SUBSECTION (A) ARE ESSENTIAL AS THE COMMONWEALTH
6 VIGOROUSLY PURSUES ITS DISCUSSIONS WITH THE UNITED STATES
7 DEPARTMENT OF HEALTH AND HUMAN SERVICES TO DEVELOP AND IMPLEMENT
8 AN AGREEMENT WITH THE SECRETARY OF THE UNITED STATES DEPARTMENT
9 OF HEALTH AND HUMAN SERVICES TO EXPAND ELIGIBILITY TO PERSONS
10 DESCRIBED UNDER SECTION 1902(A)(10)(A)(I)(VIII) OF THE SOCIAL
11 SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1396A(A)(10)(A)(I)
12 (VIII)), NO LATER THAN JULY 1, 2014. THE DEPARTMENT SHALL SUBMIT
13 AN APPLICATION FOR AN ENHANCED MEDICAL SERVICES DELIVERY SYSTEM
14 TO THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR
15 REVIEW NO LATER THAN OCTOBER 1, 2013. THE DEPARTMENT SHALL
16 SUBMIT A REVISED STATE PLAN OR WAIVER IF REQUIRED TO IMPLEMENT
17 AN EXPANSION OF ELIGIBILITY UNDER THIS SUBSECTION.

18 (D) THIS SECTION AND THE AUTHORITY TO EXPAND ELIGIBILITY
19 UNDER AN ENHANCED MEDICAL SERVICES DELIVERY SYSTEM SHALL CEASE
20 IF THE FEDERAL MEDICAL ASSISTANCE PERCENTAGE UNDER SECTION
21 1905(Y) OF THE SOCIAL SECURITY ACT (42 U.S.C. § 1396D(Y)) IS
22 LESS THAN THE FOLLOWING:

23 (1) ONE HUNDRED PERCENT FOR CALENDAR QUARTERS IN 2014, 2015
24 AND 2016.

25 (2) NINETY-FIVE PERCENT FOR CALENDAR QUARTERS IN 2017.

26 (3) NINETY-FOUR PERCENT FOR CALENDAR QUARTERS IN 2018.

27 (4) NINETY-THREE PERCENT FOR CALENDAR QUARTERS IN 2019.

28 (5) NINETY PERCENT FOR CALENDAR QUARTERS IN 2020 AND EACH
29 YEAR THEREAFTER.

30 (E) COMMENCING IN FISCAL YEAR 2019-2020, CONTINUED

1 PARTICIPATION BY RECIPIENTS IN AN ENHANCED MEDICAL SERVICES
2 DELIVERY SYSTEM SHALL BE CONDITIONED ON THE OPTIONS OF INCREASED
3 COST-SHARING OR THE PURCHASE OF COVERAGE WITH FEDERAL SUBSIDIES
4 THROUGH THE EXCHANGE.

5 (F) THE GENERAL ASSEMBLY FINDS AND DECLARES AS FOLLOWS:

6 (1) THE COMMONWEALTH HAS INITIATED TRANSFORMATIVE CHANGES IN
7 THE MEDICAL ASSISTANCE HEALTH CARE DELIVERY SYSTEM THROUGH THE
8 EXPANSIVE USE OF MANAGED CARE; ALIGNMENT OF PAYMENT INCENTIVES;
9 RECOGNITION OF THE NEED FOR RURAL, UNDERSERVED AND COMMUNITY-
10 BASED HEALTH CARE ACCESS; SUPPORT OF COMMUNITY-BASED HEALTH CARE
11 CENTERS; MULTIFACETED INITIATIVES TO REDUCE WASTE, FRAUD AND
12 ABUSE; TARGETED RESOURCES FOR THE DELIVERY OF CHRONIC CARE; AND
13 THE ESTABLISHMENT OF MEDICAL HOMES. THE COMMONWEALTH IS ALSO
14 KNOWN FOR ITS NATIONALLY RECOGNIZED PROGRAMS TO PROMOTE PATIENT
15 SAFETY AND THE USE OF ELECTRONIC MEDICAL RECORDS, TO REDUCE
16 HEALTH CARE INFECTIONS AND TO ADVANCE MEDICAL, TECHNOLOGICAL AND
17 BIOLOGICAL RESEARCH, WHICH COLLECTIVELY HAVE CONTRIBUTED TO
18 ADVANCES IN THE CARE, TREATMENT AND CURE OF MEDICAL DISEASE.

19 (2) THE COMMONWEALTH ESTABLISHED THE PACE AND PACENET
20 PROGRAMS TO PROVIDE AFFORDABLE PHARMACEUTICAL DRUGS FOR OUR
21 SENIORS, WHICH BECAME MODEL PROGRAMS FOR THE NATION.

22 (3) THE COMMONWEALTH CREATED THE INNOVATIVE CHILDREN'S
23 HEALTH INSURANCE PROGRAM, WHICH ALSO BECAME A MODEL FOR THE
24 NATION BY PROVIDING ACCESS TO COMPREHENSIVE HEALTH CARE SERVICES
25 FOR CHILDREN ACROSS THIS COMMONWEALTH AND IS A VITAL PROGRAM
26 THAT SHOULD BE PRESERVED.

27 (4) IN 2001, THE COMMONWEALTH ESTABLISHED A NONENTITLEMENT
28 PROGRAM KNOWN AS ADULTBASIC FOR THE PURPOSE OF PROVIDING HEALTH
29 CARE INSURANCE COVERAGE TO ELIGIBLE ADULTS NOT OTHERWISE
30 ELIGIBLE FOR MEDICAL ASSISTANCE, INITIALLY USING FUNDS AVAILABLE

1 THROUGH THE ACT OF JUNE 26, 2001 (P.L.755, NO.77), KNOWN AS THE
2 TOBACCO SETTLEMENT ACT. ANY AGREEMENT BETWEEN THE COMMONWEALTH
3 AND THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES ON
4 THE ESTABLISHMENT OF AN ENHANCED MEDICAL ASSISTANCE DELIVERY
5 SYSTEM WILL SERVE TO ADVANCE THESE SAME INTERESTS.

6 (5) COMMONWEALTH TAXPAYERS CURRENTLY PROVIDE PUBLICLY
7 SUBSIDIZED HEALTH CARE FOR NEARLY 2,400,000 THOUSAND CITIZENS OF
8 THIS COMMONWEALTH, OR ALMOST 19% OF THE TOTAL POPULATION OF THIS
9 COMMONWEALTH, WHICH INCLUDES COVERAGE FOR A BROAD ARRAY OF
10 MANDATORY AND OPTIONAL HEALTH CARE BENEFITS.

11 SECTION 3. SECTION 443.1 (1.1) (I), (1.4) AND (7) (IV) OF THE
12 ACT, AMENDED OR ADDED JUNE 30, 2011 (P.L.89, NO.22), ARE
13 AMENDED, PARAGRAPH (7) IS AMENDED BY ADDING A SUBPARAGRAPH AND
14 THE SECTION IS AMENDED BY ADDING A PARAGRAPH TO READ:

15 SECTION 443.1. MEDICAL ASSISTANCE PAYMENTS FOR INSTITUTIONAL
16 CARE.--THE FOLLOWING MEDICAL ASSISTANCE PAYMENTS SHALL BE MADE
17 ON BEHALF OF ELIGIBLE PERSONS WHOSE INSTITUTIONAL CARE IS
18 PRESCRIBED BY PHYSICIANS:

19 * * *

20 (1.1) SUBJECT TO SECTION 813-G, FOR INPATIENT ACUTE CARE
21 HOSPITAL SERVICES PROVIDED DURING A FISCAL YEAR IN WHICH AN
22 ASSESSMENT IS IMPOSED UNDER ARTICLE VIII-G, PAYMENTS UNDER THE
23 MEDICAL ASSISTANCE FEE-FOR-SERVICE PROGRAM SHALL BE DETERMINED
24 IN ACCORDANCE WITH THE DEPARTMENT'S REGULATIONS, EXCEPT AS
25 FOLLOWS:

26 (I) IF THE COMMONWEALTH'S APPROVED TITLE XIX STATE PLAN FOR
27 INPATIENT HOSPITAL SERVICES IN EFFECT FOR THE PERIOD OF JULY 1,
28 2010, THROUGH JUNE 30, [2013] 2016, SPECIFIES A METHODOLOGY FOR
29 CALCULATING PAYMENTS THAT IS DIFFERENT FROM THE DEPARTMENT'S
30 REGULATIONS OR AUTHORIZES ADDITIONAL PAYMENTS NOT SPECIFIED IN

1 THE DEPARTMENT'S REGULATIONS, SUCH AS INPATIENT DISPROPORTIONATE
2 SHARE PAYMENTS AND DIRECT MEDICAL EDUCATION PAYMENTS, THE
3 DEPARTMENT SHALL FOLLOW THE METHODOLOGY OR MAKE THE ADDITIONAL
4 PAYMENTS AS SPECIFIED IN THE APPROVED TITLE XIX STATE PLAN.

5 * * *

6 (1.4) SUBJECT TO SECTION 813-G, FOR INPATIENT HOSPITAL
7 SERVICES PROVIDED UNDER THE PHYSICAL HEALTH MEDICAL ASSISTANCE
8 MANAGED CARE PROGRAM DURING STATE FISCAL [YEAR] YEARS 2012-2013,
9 2013-2014, 2014-2015 AND 2015-2016, THE FOLLOWING SHALL APPLY:

10 (A) THE DEPARTMENT MAY ADJUST ITS CAPITATION PAYMENTS TO
11 MEDICAL ASSISTANCE MANAGED CARE ORGANIZATIONS TO PROVIDE
12 ADDITIONAL FUNDS FOR INPATIENT HOSPITAL SERVICES.

13 (B) FOR AN OUT-OF-NETWORK INPATIENT DISCHARGE OF A RECIPIENT
14 ENROLLED IN A MEDICAL ASSISTANCE MANAGED CARE ORGANIZATION THAT
15 OCCURS IN STATE FISCAL YEAR 2012-2013, 2013-2014, 2014-2015 OR
16 2015-2016, THE MEDICAL ASSISTANCE MANAGED CARE ORGANIZATION
17 SHALL PAY, AND THE HOSPITAL SHALL ACCEPT AS PAYMENT IN FULL, THE
18 AMOUNT THAT THE DEPARTMENT'S FEE-FOR-SERVICE PROGRAM WOULD HAVE
19 PAID FOR THE DISCHARGE IF THE RECIPIENT [WERE] WAS ENROLLED IN
20 THE DEPARTMENT'S FEE-FOR-SERVICE PROGRAM.

21 (C) NOTHING IN THIS PARAGRAPH SHALL PROHIBIT AN INPATIENT
22 ACUTE CARE HOSPITAL AND A MEDICAL ASSISTANCE MANAGED CARE
23 ORGANIZATION FROM EXECUTING A NEW PARTICIPATION AGREEMENT OR
24 AMENDING AN EXISTING PARTICIPATION AGREEMENT ON OR AFTER JULY 1,
25 2013.

26 * * *

27 (1.6) NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR
28 DEPARTMENTAL REGULATION TO THE CONTRARY, THE DEPARTMENT SHALL
29 MAKE SEPARATE FEE-FOR-SERVICE APR-DRG PAYMENTS FOR MEDICALLY
30 NECESSARY INPATIENT ACUTE CARE GENERAL HOSPITAL SERVICES

1 PROVIDED FOR NORMAL NEWBORN CARE AND FOR MOTHERS' OBSTETRICAL
2 DELIVERY.

3 * * *

4 (7) AFTER JUNE 30, 2007, PAYMENTS TO COUNTY AND NONPUBLIC
5 NURSING FACILITIES ENROLLED IN THE MEDICAL ASSISTANCE PROGRAM AS
6 PROVIDERS OF NURSING FACILITY SERVICES SHALL BE DETERMINED IN
7 ACCORDANCE WITH THE METHODOLOGIES FOR ESTABLISHING PAYMENT RATES
8 FOR COUNTY AND NONPUBLIC NURSING FACILITIES SPECIFIED IN THE
9 DEPARTMENT'S REGULATIONS AND THE COMMONWEALTH'S APPROVED TITLE
10 XIX STATE PLAN FOR NURSING FACILITY SERVICES IN EFFECT AFTER
11 JUNE 30, 2007. THE FOLLOWING SHALL APPLY:

12 * * *

13 (IV) SUBJECT TO FEDERAL APPROVAL OF SUCH AMENDMENTS AS MAY
14 BE NECESSARY TO THE COMMONWEALTH'S APPROVED TITLE XIX STATE
15 PLAN, FOR EACH FISCAL YEAR BEGINNING ON OR AFTER JULY 1, 2011,
16 THE DEPARTMENT SHALL APPLY A REVENUE ADJUSTMENT NEUTRALITY
17 FACTOR TO COUNTY AND NONPUBLIC NURSING FACILITY PAYMENT RATES SO
18 THAT THE ESTIMATED STATEWIDE DAY-WEIGHTED AVERAGE PAYMENT RATE
19 IN EFFECT FOR THAT FISCAL YEAR IS LIMITED TO THE AMOUNT
20 PERMITTED BY THE FUNDS APPROPRIATED BY THE GENERAL APPROPRIATION
21 ACT FOR THE FISCAL YEAR. THE REVENUE ADJUSTMENT NEUTRALITY
22 FACTOR SHALL REMAIN IN EFFECT UNTIL THE SOONER OF JUNE 30,
23 [2013] 2016, OR THE DATE ON WHICH A NEW RATE-SETTING METHODOLOGY
24 FOR MEDICAL ASSISTANCE NURSING FACILITY SERVICES WHICH REPLACES
25 THE RATE-SETTING METHODOLOGY CODIFIED IN 55 PA. CODE CHS. 1187
26 (RELATING TO NURSING FACILITY SERVICES) AND 1189 (RELATING TO
27 COUNTY NURSING FACILITY SERVICES) TAKES EFFECT.

28 (V) SUBJECT TO FEDERAL APPROVAL OF SUCH AMENDMENTS AS MAY BE
29 NECESSARY TO THE COMMONWEALTH'S APPROVED TITLE XIX STATE PLAN,
30 FOR FISCAL YEAR 2013-2014, THE DEPARTMENT SHALL MAKE QUARTERLY

1 MEDICAL ASSISTANCE DAY ONE INCENTIVE PAYMENTS TO QUALIFIED
2 NONPUBLIC NURSING FACILITIES. THE DEPARTMENT SHALL DETERMINE THE
3 NONPUBLIC NURSING FACILITIES THAT QUALIFY FOR THE QUARTERLY
4 MEDICAL ASSISTANCE DAY ONE INCENTIVE PAYMENTS AND CALCULATE THE
5 PAYMENTS USING THE TOTAL PENNSYLVANIA MEDICAL ASSISTANCE (PA MA)
6 DAYS AND TOTAL RESIDENT DAYS AS REPORTED BY NONPUBLIC NURSING
7 FACILITIES UNDER ARTICLE VIII-A (RELATING TO NURSING FACILITY
8 ASSESSMENTS). THE DEPARTMENT'S DETERMINATION AND CALCULATIONS
9 UNDER THIS SUBPARAGRAPH SHALL BE BASED ON THE NURSING FACILITY
10 ASSESSMENT QUARTERLY RESIDENT DAY REPORTING FORMS AVAILABLE ON
11 OCTOBER 31, JANUARY 31, APRIL 30 AND JULY 31. THE DEPARTMENT
12 SHALL NOT RETROACTIVELY REVISE A MEDICAL ASSISTANCE DAY ONE
13 INCENTIVE PAYMENT AMOUNT BASED ON A NURSING FACILITY'S LATE
14 SUBMISSION OR REVISION OF ITS REPORT AFTER THESE DATES. THE
15 DEPARTMENT, HOWEVER, MAY RECOUP PAYMENTS BASED ON AN AUDIT OF A
16 NURSING FACILITY'S REPORT. THE FOLLOWING SHALL APPLY:

17 (A) A NONPUBLIC NURSING FACILITY SHALL MEET ALL OF THE
18 FOLLOWING CRITERIA TO QUALIFY FOR A MEDICAL ASSISTANCE DAY ONE
19 INCENTIVE PAYMENT:

20 (I) THE NURSING FACILITY SHALL HAVE AN OVERALL OCCUPANCY
21 RATE OF AT LEAST EIGHTY-FIVE PERCENT DURING THE RESIDENT DAY
22 QUARTER. FOR PURPOSES OF DETERMINING A NURSING FACILITY'S
23 OVERALL OCCUPANCY RATE, A NURSING FACILITY'S TOTAL RESIDENT
24 DAYS, AS REPORTED BY THE FACILITY UNDER ARTICLE VIII-A, SHALL BE
25 DIVIDED BY THE PRODUCT OF THE FACILITY'S LICENSED BED CAPACITY,
26 AT THE END OF THE QUARTER, MULTIPLIED BY THE NUMBER OF CALENDAR
27 DAYS IN THE QUARTER.

28 (II) THE NURSING FACILITY SHALL HAVE A MEDICAL ASSISTANCE
29 OCCUPANCY RATE OF AT LEAST SIXTY-FIVE PERCENT DURING THE
30 RESIDENT DAY QUARTER. FOR PURPOSES OF DETERMINING A NURSING

1 FACILITY'S MEDICAL ASSISTANCE OCCUPANCY RATE, THE NURSING
2 FACILITY'S TOTAL PA MA DAYS SHALL BE DIVIDED BY THE NURSING
3 FACILITY'S TOTAL RESIDENT DAYS, AS REPORTED BY THE FACILITY
4 UNDER ARTICLE VIII-A.

5 (III) THE NURSING FACILITY SHALL BE A NONPUBLIC NURSING
6 FACILITY FOR A FULL RESIDENT DAY QUARTER PRIOR TO THE APPLICABLE
7 QUARTERLY REPORTING DUE DATES OF OCTOBER 31, JANUARY 31, APRIL
8 30 AND JULY 31.

9 (B) THE DEPARTMENT SHALL CALCULATE A QUALIFIED NONPUBLIC
10 NURSING FACILITY'S MEDICAL ASSISTANCE DAY ONE INCENTIVE
11 QUARTERLY PAYMENT AS FOLLOWS:

12 (I) THE TOTAL FUNDS APPROPRIATED FOR PAYMENTS UNDER THIS
13 SUBPARAGRAPH SHALL BE DIVIDED BY FOUR.

14 (II) TO ESTABLISH THE QUARTERLY PER DIEM RATE, THE AMOUNT
15 UNDER SUBCLAUSE (I) SHALL BE DIVIDED BY THE TOTAL PA MA DAYS, AS
16 REPORTED BY ALL QUALIFYING NONPUBLIC NURSING FACILITIES UNDER
17 ARTICLE VIII-A.

18 (III) TO DETERMINE A QUALIFYING NONPUBLIC NURSING FACILITY'S
19 QUARTERLY MEDICAL ASSISTANCE DAY ONE INCENTIVE PAYMENT, THE
20 QUARTERLY PER DIEM RATE SHALL BE MULTIPLIED BY A NONPUBLIC
21 NURSING FACILITY'S TOTAL PA MA DAYS, AS REPORTED BY THE FACILITY
22 UNDER ARTICLE VIII-A.

23 (C) FOR FISCAL YEAR 2013-2014, THE STATE FUNDS AVAILABLE FOR
24 THE NONPUBLIC NURSING FACILITY MEDICAL ASSISTANCE DAY ONE
25 INCENTIVE PAYMENTS SHALL EQUAL SEVEN MILLION DOLLARS
26 (\$7,000,000).

27 * * *

28 SECTION 4. SECTION 454(A) OF THE ACT, AMENDED JUNE 30, 2011
29 (P.L.89, NO.22), IS AMENDED TO READ:

30 SECTION 454. MEDICAL ASSISTANCE BENEFIT PACKAGES; COVERAGE,

1 COPAYMENTS, PREMIUMS AND RATES.-- (A) NOTWITHSTANDING ANY OTHER
2 PROVISION OF LAW TO THE CONTRARY, THE DEPARTMENT SHALL
3 PROMULGATE REGULATIONS AS PROVIDED IN SUBSECTION (B) TO
4 ESTABLISH PROVIDER PAYMENT RATES; THE BENEFIT PACKAGES AND ANY
5 COPAYMENTS FOR ADULTS ELIGIBLE FOR MEDICAL ASSISTANCE UNDER
6 TITLE XIX OF THE SOCIAL SECURITY ACT (49 STAT 620, 42 U.S.C. §
7 1396 ET SEQ.) AND ADULTS ELIGIBLE FOR MEDICAL ASSISTANCE IN
8 GENERAL ASSISTANCE-RELATED CATEGORIES; AND THE PREMIUM OR
9 COPAYMENT REQUIREMENTS FOR DISABLED CHILDREN WHOSE FAMILY INCOME
10 IS ABOVE TWO HUNDRED PERCENT OF THE FEDERAL POVERTY INCOME
11 LIMIT. SUBJECT TO SUCH FEDERAL APPROVAL AS MAY BE NECESSARY, THE
12 REGULATIONS SHALL AUTHORIZE AND DESCRIBE THE AVAILABLE BENEFIT
13 PACKAGES AND ANY COPAYMENTS AND PREMIUMS, EXCEPT THAT THE
14 DEPARTMENT SHALL SET FORTH THE COPAYMENT AND PREMIUM SCHEDULE
15 FOR DISABLED CHILDREN WHOSE FAMILY INCOME IS ABOVE TWO HUNDRED
16 PERCENT OF THE FEDERAL POVERTY INCOME LIMIT BY PUBLISHING A
17 NOTICE IN THE PENNSYLVANIA BULLETIN. THE DEPARTMENT MAY ADJUST
18 SUCH COPAYMENTS AND PREMIUMS FOR DISABLED CHILDREN BY NOTICE
19 PUBLISHED IN THE PENNSYLVANIA BULLETIN. THE REGULATIONS SHALL
20 ALSO SPECIFY THE EFFECTIVE DATE FOR PROVIDER PAYMENT RATES.

21 * * *

22 SECTION 5. SECTION 704.1(G) OF THE ACT, ADDED JULY 9, 1976
23 (P.L.846, NO.148), IS AMENDED AND THE SECTION IS AMENDED BY
24 ADDING SUBSECTIONS TO READ:

25 SECTION 704.1. PAYMENTS TO COUNTIES FOR SERVICES TO
26 CHILDREN.--* * *

27 (G) THE DEPARTMENT SHALL[, WITHIN FORTY-FIVE DAYS OF EACH
28 CALENDAR QUARTER, PAY FIFTY PERCENT OF THE DEPARTMENT'S SHARE OF
29 THE COUNTY INSTITUTION DISTRICT'S OR ITS SUCCESSOR'S ESTIMATED
30 EXPENDITURES FOR THAT QUARTER.] PROCESS PAYMENTS TO EACH COUNTY

1 PURSUANT TO THIS ARTICLE FROM FUNDS APPROPRIATED BY THE GENERAL
2 ASSEMBLY FOR EACH FISCAL YEAR, WITHIN 15 DAYS OF PASSAGE OF THE
3 GENERAL APPROPRIATION BILL OR BY A DATE SPECIFIED UNDER
4 PARAGRAPHS (1), (2), (3), (4) OR (5), WHICHEVER IS LATER. THE
5 DEPARTMENT SHALL PROCESS THE FOLLOWING APPLICABLE PAYMENTS TO
6 THE COUNTY:

7 (1) BY JULY 15, TWENTY-FIVE PERCENT OF THE AMOUNT OF STATE
8 FUNDS ALLOCATED TO THE COUNTY UNDER SECTION 709.3.

9 (2) BY AUGUST 31, OR UPON APPROVAL BY THE DEPARTMENT OF THE
10 COUNTY'S FINAL CUMULATIVE REPORT FOR ITS EXPENDITURES FOR THE
11 PRIOR FISCAL YEAR, WHICHEVER IS LATER, TWENTY-FIVE PERCENT OF
12 THE AMOUNT OF STATE FUNDS ALLOCATED TO THE COUNTY UNDER SECTION
13 709.3, REDUCED BY THE AMOUNT OF AGGREGATE UNSPENT STATE FUNDS
14 PROVIDED TO THE COUNTY DURING THE PREVIOUS FISCAL YEAR.

15 (3) BY NOVEMBER 30, OR UPON APPROVAL BY THE DEPARTMENT OF
16 THE COUNTY'S REPORT FOR ITS EXPENDITURES FOR THE FIRST QUARTER
17 OF THE FISCAL YEAR, WHICHEVER IS LATER, TWENTY-FIVE PERCENT OF
18 THE AMOUNT OF STATE FUNDS ALLOCATED TO THE COUNTY UNDER SECTION
19 709.3, REDUCED BY THE AMOUNT OF UNSPENT STATE FUNDS ALREADY
20 PROVIDED TO THE COUNTY FOR THE FIRST QUARTER OF THE FISCAL YEAR.

21 (4) BY FEBRUARY 28, OR UPON APPROVAL BY THE DEPARTMENT OF
22 THE COUNTY'S REPORT FOR ITS EXPENDITURES FOR THE SECOND QUARTER
23 OF THE FISCAL YEAR, WHICHEVER IS LATER, TWELVE AND FIVE-TENTHS
24 PERCENT OF THE AMOUNT OF STATE FUNDS ALLOCATED TO THE COUNTY
25 UNDER SECTION 709.3, ADJUSTED BY THE AMOUNT OF OVERSPENDING OR
26 UNDERSPENDING OF STATE FUNDS IN THE PREVIOUS QUARTERS, BUT NOT
27 TO EXCEED EIGHTY-SEVEN AND FIVE-TENTHS PERCENT OF THE COUNTY'S
28 APPROVED STATE ALLOCATION.

29 (5) UPON APPROVAL BY THE DEPARTMENT OF THE COUNTY'S FINAL
30 CUMULATIVE REPORT FOR ITS EXPENDITURES FOR THE FISCAL YEAR,

1 TWELVE AND FIVE-TENTHS PERCENT OF THE AMOUNT OF STATE FUNDS
2 ALLOCATED TO THE COUNTY UNDER SECTION 709.3, ADJUSTED BY THE
3 AMOUNT OF OVERSPENDING OR UNDERSPENDING OF STATE FUNDS IN THE
4 PREVIOUS QUARTERS.

5 (G.1) AFTER THE FINAL CUMULATIVE REPORT FOR EXPENDITURES HAS
6 BEEN APPROVED, IF A COUNTY HAS ADJUSTMENTS TO REVENUES OR
7 EXPENDITURES FOR THE TIME PERIOD COVERED BY THE EXPENDITURE
8 REPORT IN ADDITION TO THE PAYMENTS UNDER SUBSECTION (G), THE
9 COUNTY SHALL SUBMIT TO THE DEPARTMENT A REVISED EXPENDITURE
10 REPORT. AFTER THE REPORT IS APPROVED, THE DEPARTMENT MAY ADJUST
11 ANY PAYMENT UNDER SUBSECTION (G) TO ACCOUNT FOR ANY REVISION TO
12 A COUNTY'S EXPENDITURE REPORT.

13 (G.2) SERVICE CONTRACTS OR AGREEMENTS SHALL INCLUDE A TIMELY
14 PAYMENT PROVISION THAT REQUIRES COUNTIES TO MAKE PAYMENT TO
15 SERVICE PROVIDERS WITHIN THIRTY DAYS OF THE COUNTY'S RECEIPT OF
16 AN INVOICE UNDER BOTH OF THE FOLLOWING CONDITIONS:

17 (1) THE INVOICE SATISFIES THE COUNTY'S REQUIREMENTS FOR A
18 COMPLETE AND ACCURATE INVOICE.

19 (2) FUNDS HAVE BEEN APPROPRIATED TO THE DEPARTMENT FOR
20 PAYMENTS TO COUNTIES UNDER SUBSECTION (G).

21 * * *

22 SECTION 6. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

23 SECTION 704.3. PROVIDER SUBMISSIONS.--(A) FOR FISCAL YEAR
24 2013-2014, A PROVIDER SHALL SUBMIT DOCUMENTATION OF ITS COSTS OF
25 PROVIDING SERVICES AND THE DEPARTMENT SHALL USE SUCH
26 DOCUMENTATION, TO THE EXTENT NECESSARY, TO SUPPORT THE
27 DEPARTMENT'S CLAIM FOR FEDERAL FUNDING AND FOR STATE
28 REIMBURSEMENT FOR ALLOWABLE DIRECT AND INDIRECT COSTS INCURRED
29 IN THE PROVISION OF OUT-OF-HOME PLACEMENT SERVICES.

30 (B) THE DEPARTMENT SHALL CONVENE A TASK FORCE TO INCLUDE

1 REPRESENTATIVES FROM PUBLIC AND PRIVATE CHILDREN AND YOUTH
2 SOCIAL SERVICE AGENCIES AND OTHER APPROPRIATE STAKEHOLDERS AS
3 DETERMINED BY THE SECRETARY OR DEPUTY SECRETARY FOR THE OFFICE
4 OF CHILDREN, YOUTH AND FAMILIES.

5 (C) THE TASK FORCE ESTABLISHED UNDER SUBSECTION (B) SHALL
6 DEVELOP RECOMMENDATIONS FOR A METHODOLOGY TO DETERMINE
7 REIMBURSEMENT FOR ACTUAL AND PROJECTED COSTS, WHICH ARE
8 REASONABLE AND ALLOWABLE, FOR THE PURCHASE OF SERVICES FROM
9 PROVIDERS AND FOR OTHER PURCHASED SERVICES. THE TASK FORCE SHALL
10 PROVIDE WRITTEN RECOMMENDATIONS FOR THE PURCHASE OF SERVICES
11 FROM PROVIDERS TO THE GENERAL ASSEMBLY NO LATER THAN APRIL 30,
12 2014. THE TASK FORCE SHALL PROVIDE WRITTEN RECOMMENDATIONS FOR
13 OTHER PURCHASED SERVICES NO LATER THAN DECEMBER 31, 2014. THE
14 TASK FORCE SHALL BE CONVENED WITHIN SIXTY DAYS AFTER THE
15 EFFECTIVE DATE OF THIS SECTION.

16 (D) AS USED IN THIS SECTION, THE TERM "PROVIDER" MEANS AN
17 ENTITY LICENSED OR CERTIFIED TO PROVIDE TWENTY-FOUR-HOUR OUT-OF-
18 HOME COMMUNITY-BASED OR INSTITUTIONAL CARE AND SUPERVISION OF A
19 CHILD, WITH THE CARE AND SUPERVISION BEING PAID FOR OR PROVIDED
20 BY A COUNTY USING FEDERAL OR STATE FUNDS DISBURSED UNDER THIS
21 ARTICLE.

22 SECTION 7. THE HEADING OF ARTICLE VIII-C OF THE ACT, ADDED
23 JULY 4, 2004 (P.L.528, NO.69) IS AMENDED TO READ:

24 ARTICLE VIII-C

25 INTERMEDIATE CARE FACILITIES FOR [MENTALLY RETARDED] PERSONS

26 WITH AN INTELLECTUAL DISABILITY

27 ASSESSMENTS

28 SECTION 8. SECTIONS 801-C, 802-C, 803-C, 804-C, 805-C, 806-
29 C, 807-C, 808-C, 809-C AND 810-C OF THE ACT, ADDED JULY 4, 2004
30 (P.L.528, NO.69), ARE AMENDED TO READ:

1 SECTION 801-C. DEFINITIONS.

2 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
3 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
4 CONTEXT CLEARLY INDICATES OTHERWISE:

5 "ASSESSMENT." THE FEE IMPLEMENTED PURSUANT TO THIS ARTICLE
6 ON EVERY INTERMEDIATE CARE FACILITY FOR [MENTALLY RETARDED]
7 PERSONS WITH AN INTELLECTUAL DISABILITY.

8 "DEPARTMENT." THE DEPARTMENT OF PUBLIC WELFARE OF THE
9 COMMONWEALTH.

10 "INTERMEDIATE CARE FACILITY FOR [MENTALLY RETARDED] PERSONS
11 WITH AN INTELLECTUAL DISABILITY" OR "[ICF/MR] ICF/ID." A PUBLIC
12 OR PRIVATE FACILITY DEFINED IN SECTION 1905 OF THE SOCIAL
13 SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1905).

14 "MEDICAID." THE PROGRAM ESTABLISHED UNDER TITLE XIX OF THE
15 SOCIAL SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1396 ET SEQ.).

16 "MEDICAL ASSISTANCE PROGRAM" OR "PROGRAM." THE MEDICAL
17 ASSISTANCE PROGRAM AS ADMINISTERED BY THE DEPARTMENT OF PUBLIC
18 WELFARE.

19 "SECRETARY." THE SECRETARY OF PUBLIC WELFARE OF THE
20 COMMONWEALTH.

21 "SOCIAL SECURITY ACT." 49 STAT. 620, 42 U.S.C. § 301 ET SEQ.
22 SECTION 802-C. AUTHORIZATION.

23 IN ORDER TO GENERATE ADDITIONAL REVENUES FOR MEDICAL
24 ASSISTANCE PROGRAM RECIPIENTS TO HAVE ACCESS TO MEDICALLY
25 NECESSARY [MENTAL RETARDATION] INTELLECTUAL DISABILITY SERVICES,
26 THE DEPARTMENT SHALL IMPLEMENT A MONETARY ASSESSMENT ON EACH
27 [ICF/MR] ICF/ID SUBJECT TO THE CONDITIONS AND REQUIREMENTS
28 SPECIFIED IN THIS ARTICLE.

29 SECTION 803-C. IMPLEMENTATION.

30 THE [ICF/MR] ICF/ID ASSESSMENTS SHALL BE IMPLEMENTED ON AN

1 ANNUAL BASIS AS A HEALTH CARE-RELATED TAX AS DEFINED IN SECTION
2 1903(W) (3) (B) OF THE SOCIAL SECURITY ACT, OR ANY AMENDMENTS
3 THERETO, AND MAY BE IMPOSED AND IS REQUIRED TO BE PAID ONLY TO
4 THE EXTENT THAT THE REVENUES GENERATED FROM THE ASSESSMENT WILL
5 QUALIFY AS THE STATE SHARE OF PROGRAM EXPENDITURES ELIGIBLE FOR
6 FEDERAL FINANCIAL PARTICIPATION.

7 SECTION 804-C. AMOUNT.

8 THE ASSESSMENT RATE SHALL BE DETERMINED IN ACCORDANCE WITH
9 THIS ARTICLE AND IMPLEMENTED ON AN ANNUAL BASIS BY THE
10 DEPARTMENT, AS APPROVED BY THE GOVERNOR, UPON NOTIFICATION TO
11 AND IN CONSULTATION WITH THE [ICFS/MR] ICFS/ID. IN EACH YEAR IN
12 WHICH THE ASSESSMENT IS IMPLEMENTED, THE ASSESSMENT RATE SHALL
13 EQUAL THE AMOUNT ESTABLISHED BY THE DEPARTMENT SUBJECT TO THE
14 MAXIMUM AGGREGATE AMOUNT THAT MAY BE ASSESSED PURSUANT TO THE 6%
15 INDIRECT GUARANTEE THRESHOLD SET FORTH IN 42 CFR 433.68(F) (3) (I)
16 (RELATING TO PERMISSIBLE HEALTH CARE-RELATED TAXES [AFTER THE
17 TRANSITION PERIOD]) OR ANY OTHER MAXIMUM AGGREGATE AMOUNT
18 ESTABLISHED BY LAW.

19 SECTION 805-C. ADMINISTRATION.

20 (A) NOTICE OF ASSESSMENT.--THE SECRETARY, BEFORE
21 IMPLEMENTING AN ASSESSMENT IN ANY FISCAL YEAR, SHALL PUBLISH A
22 NOTICE IN THE PENNSYLVANIA BULLETIN THAT SPECIFIES THE AMOUNT OF
23 THE ASSESSMENT BEING PROPOSED AND AN EXPLANATION OF THE
24 ASSESSMENT METHODOLOGY AND AMOUNT DETERMINATION THAT IDENTIFIES
25 THE AGGREGATE IMPACT ON [ICFS/MR] ICFS/ID SUBJECT TO THE
26 ASSESSMENT. INTERESTED PARTIES SHALL HAVE 30 DAYS IN WHICH TO
27 SUBMIT COMMENTS TO THE SECRETARY. UPON EXPIRATION OF THE 30-DAY
28 COMMENT PERIOD, THE SECRETARY, AFTER CONSIDERATION OF THE
29 COMMENTS, SHALL PUBLISH A SECOND NOTICE IN THE PENNSYLVANIA
30 BULLETIN ANNOUNCING THE RATE OF THE ASSESSMENT.

1 (B) REVIEW OF ASSESSMENT.--EXCEPT AS PERMITTED UNDER SECTION
2 809-C, THE SECRETARY'S DETERMINATION OF THE AGGREGATE AMOUNT AND
3 THE RATE OF THE ASSESSMENT PURSUANT TO SUBSECTION (A) SHALL NOT
4 BE SUBJECT TO ADMINISTRATIVE OR JUDICIAL REVIEW UNDER 2 PA.C.S.
5 CHS. 5 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF
6 COMMONWEALTH AGENCIES) AND 7 SUBCH. A (RELATING TO JUDICIAL
7 REVIEW OF COMMONWEALTH AGENCY ACTION) OR ANY OTHER PROVISION OF
8 LAW. NO ASSESSMENT IMPLEMENTED UNDER THIS ARTICLE NOR FORMS OR
9 REPORTS REQUIRED TO BE COMPLETED BY [ICFS/MR] ICFS/ID PURSUANT
10 TO THIS ARTICLE SHALL BE SUBJECT TO THE ACT OF JULY 31, 1968
11 (P.L.769, NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS
12 LAW, THE ACT OF OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS THE
13 COMMONWEALTH ATTORNEYS ACT, OR THE ACT OF JUNE 25, 1982
14 (P.L.633, NO.181), KNOWN AS THE REGULATORY REVIEW ACT.

15 SECTION 806-C. CALCULATION.

16 USING THE ASSESSMENT RATE IMPLEMENTED BY THE SECRETARY
17 PURSUANT TO SECTION 804-C, EACH [ICF/MR] ICF/ID SHALL CALCULATE
18 THE ASSESSMENT AMOUNTS IT OWES FOR A CALENDAR QUARTER ON A FORM
19 SPECIFIED BY THE DEPARTMENT AND SHALL SUBMIT THE FORM AND THE
20 AMOUNT OWED TO THE DEPARTMENT NO LATER THAN THE LAST DAY OF THAT
21 CALENDAR QUARTER OR 30 DAYS FROM THE DATE OF THE DEPARTMENT'S
22 SECOND NOTICE PUBLISHED PURSUANT TO SECTION 805-C(A), WHICHEVER
23 IS LATER.

24 SECTION 807-C. PURPOSES AND USES.

25 NO [ICF/MR] ICF/ID SHALL BE DIRECTLY GUARANTEED A REPAYMENT
26 OF ITS ASSESSMENT IN DEROGATION OF 42 CFR 433.68 (RELATING TO
27 PERMISSIBLE HEALTH CARE-RELATED TAXES [AFTER THE TRANSITION
28 PERIOD]), PROVIDED, HOWEVER, IN EACH FISCAL YEAR IN WHICH AN
29 ASSESSMENT IS IMPLEMENTED, THE DEPARTMENT SHALL USE THE STATE
30 REVENUE COLLECTED FROM THE ASSESSMENT AND ANY FEDERAL FUNDS

1 RECEIVED BY THE COMMONWEALTH AS A DIRECT RESULT OF THE
2 ASSESSMENT TO FUND SERVICES FOR PERSONS WITH [MENTAL
3 RETARDATION] AN INTELLECTUAL DISABILITY.

4 SECTION 808-C. RECORDS.

5 UPON REQUEST BY THE DEPARTMENT, AN [ICF/MR] ICF/ID SHALL
6 FURNISH TO THE DEPARTMENT SUCH RECORDS AS THE DEPARTMENT MAY
7 SPECIFY IN ORDER TO DETERMINE THE ASSESSMENT RATE FOR A FISCAL
8 YEAR OR THE AMOUNT OF THE ASSESSMENT DUE FROM THE [ICF/MR]
9 ICF/ID OR TO VERIFY THAT THE [ICF/MR] ICF/ID HAS PAID THE
10 CORRECT AMOUNT DUE. IN THE EVENT THAT THE DEPARTMENT DETERMINES
11 THAT AN [ICF/MR] ICF/ID HAS FAILED TO PAY AN ASSESSMENT OR THAT
12 IT HAS UNDERPAID AN ASSESSMENT, THE DEPARTMENT SHALL NOTIFY THE
13 [ICF/MR] ICF/ID IN WRITING OF THE AMOUNT DUE, INCLUDING
14 INTEREST, AND THE DATE ON WHICH THE AMOUNT DUE MUST BE PAID,
15 WHICH SHALL NOT BE LESS THAN 30 DAYS FROM THE DATE OF THE
16 NOTICE. IN THE EVENT THAT THE DEPARTMENT DETERMINES THAT AN
17 [ICF/MR] ICF/ID HAS OVERPAID AN ASSESSMENT, THE DEPARTMENT SHALL
18 NOTIFY THE [ICF/MR] ICF/ID IN WRITING OF THE OVERPAYMENT AND,
19 WITHIN 30 DAYS OF THE DATE OF THE NOTICE OF THE OVERPAYMENT,
20 SHALL EITHER AUTHORIZE A REFUND OF THE AMOUNT OF THE OVERPAYMENT
21 OR OFFSET THE AMOUNT OF THE OVERPAYMENT AGAINST ANY AMOUNT THAT
22 MAY BE OWED TO THE DEPARTMENT BY THE [ICF/MR] ICF/ID.

23 SECTION 809-C. APPEAL RIGHTS.

24 AN [ICF/MR] ICF/ID THAT IS AGGRIEVED BY A DETERMINATION OF
25 THE DEPARTMENT AS TO THE AMOUNT OF THE ASSESSMENT DUE FROM THE
26 [ICF/MR] ICF/ID OR A REMEDY IMPOSED PURSUANT TO SECTION 810-C
27 MAY FILE A REQUEST FOR REVIEW OF THE DECISION OF THE DEPARTMENT
28 BY THE BUREAU OF HEARINGS AND APPEALS WITHIN THE DEPARTMENT,
29 WHICH SHALL HAVE EXCLUSIVE JURISDICTION IN SUCH MATTERS. THE
30 PROCEDURES AND REQUIREMENTS OF 67 PA.C.S. CH. 11 (RELATING TO

1 MEDICAL ASSISTANCE HEARINGS AND APPEALS) SHALL APPLY TO REQUESTS
2 FOR REVIEW FILED PURSUANT TO THIS SECTION EXCEPT THAT, IN ANY
3 SUCH REQUEST FOR REVIEW, AN [ICF/MR] ICF/ID MAY NOT CHALLENGE
4 THE ASSESSMENT RATE DETERMINED BY THE SECRETARY, BUT ONLY
5 WHETHER THE DEPARTMENT CORRECTLY DETERMINED THE ASSESSMENT
6 AMOUNT DUE FROM THE [ICF/MR] ICF/ID USING THE ASSESSMENT RATE IN
7 EFFECT FOR THE FISCAL YEAR.

8 SECTION 810-C. ENFORCEMENT.

9 IN ADDITION TO ANY OTHER REMEDY PROVIDED BY LAW, THE
10 DEPARTMENT MAY ENFORCE THIS ARTICLE BY IMPOSING ONE OR MORE OF
11 THE FOLLOWING REMEDIES:

12 (1) WHEN AN [ICF/MR] ICF/ID FAILS TO PAY AN ASSESSMENT
13 OR PENALTY IN THE AMOUNT OR ON THE DATE REQUIRED BY THIS
14 ARTICLE, THE DEPARTMENT MAY ADD INTEREST AT THE RATE PROVIDED
15 IN SECTION 806 OF THE ACT OF APRIL 9, 1929 (P.L.343, NO.176),
16 KNOWN AS THE FISCAL CODE, TO THE UNPAID AMOUNT OF THE
17 ASSESSMENT OR PENALTY FROM THE DATE PRESCRIBED FOR ITS
18 PAYMENT UNTIL THE DATE IT IS PAID.

19 (2) WHEN AN [ICF/MR] ICF/ID FAILS TO FILE A REPORT OR TO
20 FURNISH RECORDS TO THE DEPARTMENT AS REQUIRED BY THIS
21 ARTICLE, THE DEPARTMENT MAY IMPOSE A PENALTY AGAINST THE
22 [ICF/MR] ICF/ID IN THE AMOUNT OF \$1,000 PER DAY FOR EACH DAY
23 THE REPORT OR REQUIRED RECORDS ARE NOT FILED OR FURNISHED TO
24 THE DEPARTMENT.

25 (3) WHEN AN [ICF/MR] ICF/ID FAILS TO PAY ALL OR PART OF
26 AN ASSESSMENT OR PENALTY WITHIN 60 DAYS OF THE DATE THAT
27 PAYMENT IS DUE, THE DEPARTMENT MAY TERMINATE THE [ICF/MR]
28 ICF/ID FROM PARTICIPATION IN THE MEDICAL ASSISTANCE PROGRAM
29 AND/OR DEDUCT THE UNPAID ASSESSMENT OR PENALTY AND ANY
30 INTEREST OWED THEREON FROM ANY PAYMENTS DUE TO THE [ICF/MR]

1 ICF/ID UNTIL THE FULL AMOUNT IS RECOVERED. ANY SUCH
2 TERMINATION OR PAYMENT DEDUCTION SHALL BE MADE ONLY AFTER
3 WRITTEN NOTICE TO THE [ICF/MR] ICF/ID.

4 (4) THE SECRETARY MAY WAIVE ALL OR PART OF THE INTEREST
5 OR PENALTIES ASSESSED AGAINST AN [ICF/MR] ICF/ID PURSUANT TO
6 THIS ARTICLE FOR GOOD CAUSE AS SHOWN BY THE [ICF/MR] ICF/ID.

7 SECTION 9. SECTION 811-C OF THE ACT, AMENDED JULY 4, 2008
8 (P.L.557, NO.44), IS AMENDED TO READ:

9 SECTION 811-C. TIME PERIODS.

10 (A) IMPOSITION.--THE ASSESSMENT AUTHORIZED UNDER THIS
11 ARTICLE SHALL NOT BE IMPOSED AS FOLLOWS:

12 (1) PRIOR TO JULY 1, 2003, FOR PRIVATE [ICFS/MR]
13 ICFS/ID.

14 (2) PRIOR TO JULY 1, 2004, FOR PUBLIC [ICFS/MR] ICFS/ID.

15 (3) IN THE ABSENCE OF FEDERAL FINANCIAL PARTICIPATION AS
16 DESCRIBED UNDER SECTION 803-C.

17 (B) CESSATION.--THE ASSESSMENT AUTHORIZED UNDER THIS ARTICLE
18 SHALL CEASE JUNE 30, [2013] 2016, OR EARLIER, IF REQUIRED BY
19 LAW.

20 SECTION 10. SECTION 802-E OF THE ACT IS AMENDED BY ADDING A
21 SUBSECTION TO READ:

22 SECTION 802-E. AUTHORIZATION.

23 * * *

24 (A.1) ADJUSTMENTS TO ASSESSMENT PERCENTAGE.--

25 (1) FOR STATE FISCAL YEARS BEGINNING AFTER JUNE 30,
26 2013, AND SUBJECT TO THE ADVANCE WRITTEN APPROVAL OF THE
27 SECRETARY AS PRESCRIBED BY THE DEPARTMENT, THE MUNICIPALITY
28 MAY MAKE A UNIFORM ADJUSTMENT TO AN ASSESSMENT PERCENTAGE
29 ESTABLISHED BY ORDINANCE UNDER SUBSECTION (A).

30 (2) AFTER RECEIVING WRITTEN APPROVAL UNDER PARAGRAPH (1)

1 AND BEFORE IMPLEMENTING AN ADJUSTMENT, THE MUNICIPALITY SHALL
2 PROVIDE ADVANCE PUBLIC NOTICE. THE NOTICE SHALL SPECIFY THE
3 PROPOSED ADJUSTED ASSESSMENT PERCENTAGE AND IDENTIFY THE
4 AGGREGATE IMPACT ON HOSPITALS LOCATED IN THE MUNICIPALITY
5 SUBJECT TO AN ASSESSMENT. AN INTERESTED PARTY SHALL HAVE 30
6 DAYS IN WHICH TO SUBMIT COMMENTS TO THE MUNICIPALITY. UPON
7 EXPIRATION OF THE 30-DAY COMMENT PERIOD, THE MUNICIPALITY,
8 AFTER CONSIDERATION OF THE COMMENTS, SHALL PUBLISH A
9 SUBSEQUENT NOTICE ANNOUNCING THE ADJUSTED ASSESSMENT
10 PERCENTAGE.

11 * * *

12 SECTION 11. SECTION 808-E OF THE ACT, REENACTED OCTOBER 22,
13 2010 (P.L.829, NO.84), IS AMENDED TO READ:

14 SECTION 808-E. TIME PERIOD.

15 (A) CESSATION.--THE ASSESSMENT AUTHORIZED UNDER THIS ARTICLE
16 SHALL CEASE JUNE 30, [2013] 2016.

17 (B) ASSESSMENT.--

18 (1) A MUNICIPALITY SHALL HAVE THE POWER TO ENACT THE
19 ASSESSMENT AUTHORIZED IN SECTION 802-E(A) (2) EITHER PRIOR TO
20 OR DURING ITS FISCAL YEAR ENDING JUNE 30, 2010.

21 (2) A MUNICIPALITY MAY ADJUST AN ASSESSMENT PERCENTAGE
22 AS SPECIFIED UNDER SECTION 802-E(A.1) EITHER PRIOR TO OR
23 DURING THE FISCAL YEAR IN WHICH THE ADJUSTED ASSESSMENT
24 PERCENTAGE TAKES EFFECT.

25 ~~SECTION 12. THE DEFINITION OF "NET INPATIENT REVENUE" IN~~ <--
26 ~~SECTION 801 G OF THE ACT, AMENDED JUNE 30, 2011 (P.L.89, NO.22),~~
27 ~~IS AMENDED TO READ:~~

28 ~~SECTION 801 G. DEFINITIONS.~~

29 ~~THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE~~
30 ~~SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE~~

1 ~~CONTEXT CLEARLY INDICATES OTHERWISE:~~

2 ~~* * *~~

3 ~~"NET INPATIENT REVENUE." GROSS CHARGES FOR FACILITIES FOR~~
4 ~~INPATIENT SERVICES LESS ANY DEDUCTED AMOUNTS FOR BAD DEBT~~
5 ~~EXPENSE, CHARITY CARE EXPENSE AND CONTRACTUAL ALLOWANCES AS~~
6 ~~REPORTED ON FORMS SPECIFIED BY THE DEPARTMENT AND:~~

7 ~~(1) AS IDENTIFIED IN THE HOSPITAL'S RECORDS FOR THE~~
8 ~~STATE FISCAL YEAR COMMENCING JULY 1, [2007] 2010; OR~~

9 ~~(2) AS IDENTIFIED IN THE HOSPITAL'S RECORDS FOR THE MOST~~
10 ~~RECENT STATE FISCAL YEAR, OR PART THEREOF, IF AMOUNTS ARE NOT~~
11 ~~AVAILABLE UNDER PARAGRAPH (1).~~

12 ~~* * *~~

13 ~~SECTION 13. SECTION 803 G(B) OF THE ACT, AMENDED JUNE 30,~~
14 ~~2011 (P.L.89, NO.22), IS AMENDED TO READ:~~

15 ~~SECTION 803 G. IMPLEMENTATION.~~

16 ~~* * *~~

17 ~~(B) ASSESSMENT PERCENTAGE. SUBJECT TO SUBSECTION (C), EACH~~
18 ~~COVERED HOSPITAL SHALL BE ASSESSED AS FOLLOWS:~~

19 ~~(1) FOR FISCAL YEAR 2010 2011, EACH COVERED HOSPITAL~~
20 ~~SHALL BE ASSESSED AN AMOUNT EQUAL TO 2.69% OF THE NET~~
21 ~~INPATIENT REVENUE OF THE COVERED HOSPITAL; AND~~

22 ~~(2) FOR FISCAL YEARS 2011 2012 [AND] 2012 2013, 2013~~
23 ~~2014, 2014 2015 AND 2015 2016, AN AMOUNT EQUAL TO 3.22% OF~~
24 ~~THE NET INPATIENT REVENUE OF THE COVERED HOSPITAL.~~

25 ~~* * *~~

26 ~~SECTION 14. SECTION 804 G(A.1) OF THE ACT, AMENDED JUNE 30,~~
27 ~~2011 (P.L.89, NO.22), IS AMENDED AND THE SECTION IS AMENDED BY~~
28 ~~ADDING A SUBSECTION TO READ:~~

29 ~~SECTION 804 G. ADMINISTRATION.~~

30 ~~* * *~~

~~(A.1) CALCULATION OF ASSESSMENT WITH CHANGES OF OWNERSHIP.~~

~~(1) IF A SINGLE COVERED HOSPITAL CHANGES OWNERSHIP OR CONTROL, THE DEPARTMENT WILL CONTINUE TO CALCULATE THE ASSESSMENT AMOUNT USING THE HOSPITAL'S NET INPATIENT REVENUE FOR STATE FISCAL YEAR [2008 2009] 2010 2011 OR FOR THE MOST RECENT STATE FISCAL YEAR, OR PART THEREOF, IF THE STATE FISCAL YEAR [2008 2009] 2010 2011 AMOUNTS ARE NOT AVAILABLE. THE COVERED HOSPITAL IS LIABLE FOR ANY OUTSTANDING ASSESSMENT AMOUNTS, INCLUDING OUTSTANDING AMOUNTS RELATED TO PERIODS PRIOR TO THE CHANGE OF OWNERSHIP OR CONTROL.~~

~~(2) IF TWO OR MORE HOSPITALS MERGE OR CONSOLIDATE INTO A SINGLE COVERED HOSPITAL AS A RESULT OF A CHANGE IN OWNERSHIP OR CONTROL, THE DEPARTMENT WILL CALCULATE THE COVERED HOSPITAL ASSESSMENT AMOUNT USING THE COMBINED NET INPATIENT REVENUE FOR STATE FISCAL YEAR [2008 2009] 2010 2011 OR FOR THE MOST RECENT STATE FISCAL YEAR, OR PART THEREOF, IF THE STATE FISCAL YEAR [2008 2009] 2010 2011 AMOUNTS ARE NOT AVAILABLE, OF ANY COVERED HOSPITALS THAT WERE MERGED OR CONSOLIDATED INTO THE SINGLE COVERED HOSPITAL. THE SINGLE COVERED HOSPITAL IS LIABLE FOR ANY OUTSTANDING ASSESSMENT AMOUNTS, INCLUDING OUTSTANDING AMOUNTS RELATED TO PERIODS PRIOR TO THE CHANGE OF OWNERSHIP OR CONTROL, OF ANY COVERED HOSPITAL THAT WAS MERGED OR CONSOLIDATED.~~

~~* * *~~

~~(A.3) CALCULATION OF ASSESSMENT FOR NEW HOSPITALS. A HOSPITAL THAT BEGINS OPERATION AS A COVERED HOSPITAL DURING A FISCAL YEAR IN WHICH AN ASSESSMENT IS IN EFFECT SHALL BE ASSESSED AS FOLLOWS:~~

~~(1) DURING THE STATE FISCAL YEAR IN WHICH A COVERED HOSPITAL BEGINS OPERATION OR IN WHICH A HOSPITAL BECOMES A~~

1 ~~COVERED HOSPITAL, THE COVERED HOSPITAL IS NOT SUBJECT TO THE~~
2 ~~ASSESSMENT.~~

3 ~~(2) FOR THE STATE FISCAL YEAR FOLLOWING THE STATE FISCAL~~
4 ~~YEAR UNDER PARAGRAPH (1), THE DEPARTMENT SHALL CALCULATE THE~~
5 ~~HOSPITAL'S ASSESSMENT AMOUNT USING THE NET INPATIENT REVENUE~~
6 ~~FROM THE STATE FISCAL YEAR IN WHICH THE COVERED HOSPITAL~~
7 ~~BEGAN OPERATION OR BECAME A COVERED HOSPITAL.~~

8 ~~(3) FOR THE STATE FISCAL YEARS FOLLOWING THE FIRST FULL~~
9 ~~STATE FISCAL YEAR UNDER PARAGRAPH (2), THE DEPARTMENT SHALL~~
10 ~~CALCULATE THE HOSPITAL'S ASSESSMENT AMOUNT USING THE NET~~
11 ~~INPATIENT REVENUE FROM THE PRIOR STATE FISCAL YEAR.~~

12 * * *

13 ~~SECTION 15. SECTION 805 G(A) (3) AND (B) (5) OF THE ACT,~~
14 ~~AMENDED JUNE 30, 2011 (P.L.89, NO.22), IS AMENDED AND SUBSECTION~~
15 ~~(B) IS AMENDED BY ADDING PARAGRAPHS TO READ:~~

16 ~~SECTION 805 G. RESTRICTED ACCOUNT.~~

17 ~~(A) ESTABLISHMENT. THERE IS ESTABLISHED A RESTRICTED~~
18 ~~ACCOUNT, KNOWN AS THE QUALITY CARE ASSESSMENT ACCOUNT, IN THE~~
19 ~~GENERAL FUND FOR THE RECEIPT AND DEPOSIT OF REVENUES COLLECTED~~
20 ~~UNDER THIS ARTICLE. FUNDS IN THE ACCOUNT ARE APPROPRIATED TO THE~~
21 ~~DEPARTMENT FOR THE FOLLOWING:~~

22 * * *

23 ~~(3) ANY OTHER PURPOSE APPROVED BY THE SECRETARY FOR~~
24 ~~INPATIENT HOSPITAL, OUTPATIENT HOSPITAL AND HOSPITAL RELATED~~
25 ~~SERVICES.~~

26 ~~(B) LIMITATIONS.~~

27 * * *

28 ~~(4.1) FOR STATE FISCAL YEARS 2013 2014 AND 2014 2015,~~
29 ~~THE AMOUNT USED FOR THE MEDICAL ASSISTANCE PAYMENT FOR~~
30 ~~HOSPITALS AND MEDICAL ASSISTANCE MANAGED CARE ORGANIZATIONS~~

1 ~~MAY NOT EXCEED THE AGGREGATE AMOUNT OF THE ASSESSMENT FUNDS~~
2 ~~COLLECTED FOR THE YEAR LESS \$150,000,000.~~

3 ~~(4.2) FOR STATE FISCAL YEAR 2015 2016, THE AMOUNT USED~~
4 ~~FOR THE MEDICAL ASSISTANCE PAYMENT FOR HOSPITALS AND MEDICAL~~
5 ~~ASSISTANCE MANAGED CARE ORGANIZATIONS MAY NOT EXCEED THE~~
6 ~~AGGREGATE AMOUNT OF THE ASSESSMENT FUNDS COLLECTED FOR THE~~
7 ~~YEAR LESS \$140,000,000.~~

8 ~~(5) THE AMOUNTS RETAINED BY THE DEPARTMENT PURSUANT TO~~
9 ~~PARAGRAPHS (1), (2) [AND], (4), (4.1) AND (4.2) AND ANY~~
10 ~~ADDITIONAL AMOUNTS REMAINING IN THE RESTRICTED ACCOUNTS AFTER~~
11 ~~THE PAYMENTS DESCRIBED IN SUBSECTION (A) (1) AND (2) ARE MADE~~
12 ~~SHALL BE USED FOR PURPOSES APPROVED BY THE SECRETARY UNDER~~
13 ~~SUBSECTION (A) (3).~~

14 * * *

15 ~~SECTION 16. SECTION 815 G OF THE ACT, ADDED JULY 9, 2010~~
16 ~~(P.L.336, NO.49), IS AMENDED TO READ:~~

17 ~~SECTION 815 G. EXPIRATION.~~

18 ~~THIS ARTICLE SHALL EXPIRE JUNE 30, [2013] 2016.~~

19 SECTION 12. THE HEADING OF ARTICLE VIII-G OF THE ACT, ADDED <--
20 JULY 9, 2010 (P.L.336, NO.49), IS REENACTED TO READ:

21 ARTICLE VIII-G

22 STATEWIDE QUALITY CARE ASSESSMENT

23 SECTION 12.1. SECTION 801-G OF THE ACT, ADDED OR AMENDED
24 JULY 9, 2010 (P.L.336, NO.49) AND JUNE 30, 2011 (P.L.89, NO.22),
25 IS REENACTED AND AMENDED TO READ:

26 SECTION 801-G. DEFINITIONS.

27 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE
28 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
29 CONTEXT CLEARLY INDICATES OTHERWISE:

30 "ASSESSMENT." THE FEE, KNOWN AS THE QUALITY CARE ASSESSMENT,

1 AUTHORIZED TO BE IMPLEMENTED UNDER THIS ARTICLE ON EVERY COVERED
2 HOSPITAL.

3 "BAD DEBT EXPENSE." THE COST OF CARE FOR WHICH A HOSPITAL
4 EXPECTED PAYMENT FROM THE PATIENT OR A THIRD-PARTY PAYER, BUT
5 WHICH THE HOSPITAL SUBSEQUENTLY DETERMINES TO BE UNCOLLECTIBLE,
6 AS FURTHER DESCRIBED IN THE MEDICARE PROVIDER REIMBURSEMENT
7 MANUAL PUBLISHED BY THE UNITED STATES DEPARTMENT OF HEALTH AND
8 HUMAN SERVICES.

9 "CHARITY CARE EXPENSE." THE COST OF CARE FOR WHICH A
10 HOSPITAL ORDINARILY CHARGES A FEE BUT WHICH IS PROVIDED FREE OR
11 AT A REDUCED RATE TO PATIENTS WHO CANNOT AFFORD TO PAY BUT WHO
12 ARE NOT ELIGIBLE FOR PUBLIC PROGRAMS, AND FROM WHOM THE HOSPITAL
13 DID NOT EXPECT PAYMENT IN ACCORDANCE WITH THE HOSPITAL'S CHARITY
14 CARE POLICY, AS FURTHER DESCRIBED IN THE MEDICARE PROVIDER
15 REIMBURSEMENT MANUAL PUBLISHED BY THE UNITED STATES DEPARTMENT
16 OF HEALTH AND HUMAN SERVICES.

17 "CONTRACTUAL ALLOWANCE." THE DIFFERENCE BETWEEN WHAT A
18 HOSPITAL CHARGES FOR SERVICES AND THE AMOUNTS THAT CERTAIN
19 PAYERS HAVE AGREED TO PAY FOR THE SERVICES AS FURTHER DESCRIBED
20 IN THE MEDICARE PROVIDER REIMBURSEMENT MANUAL PUBLISHED BY THE
21 UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES.

22 "COVERED HOSPITAL." A HOSPITAL OTHER THAN AN EXEMPT
23 HOSPITAL.

24 "CRITICAL ACCESS HOSPITAL." ANY HOSPITAL THAT HAS QUALIFIED
25 UNDER SECTION 1861(MM) (1) OF THE SOCIAL SECURITY ACT (49 STAT.
26 620, 42 U.S.C. § 1395X(MM) (1)) AS A CRITICAL ACCESS HOSPITAL
27 UNDER MEDICARE.

28 "EXEMPT HOSPITAL." ANY OF THE FOLLOWING:

29 (1) A FEDERAL VETERANS' AFFAIRS HOSPITAL.

30 (2) A HOSPITAL THAT PROVIDES CARE, INCLUDING INPATIENT

1 HOSPITAL SERVICES, TO ALL PATIENTS FREE OF CHARGE.

2 (3) A PRIVATE PSYCHIATRIC HOSPITAL.

3 (4) A STATE-OWNED PSYCHIATRIC HOSPITAL.

4 (5) A CRITICAL ACCESS HOSPITAL.

5 (6) A LONG-TERM ACUTE CARE HOSPITAL.

6 "HOSPITAL." A FACILITY LICENSED AS A HOSPITAL UNDER 28
7 PA.CODE PT. IV SUBPT. B (RELATING TO GENERAL AND SPECIAL
8 HOSPITALS).

9 "LONG-TERM ACUTE CARE HOSPITAL." A HOSPITAL OR UNIT OF A
10 HOSPITAL WHOSE PATIENTS HAVE A LENGTH OF STAY OF GREATER THAN 25
11 DAYS AND THAT PROVIDES SPECIALIZED ACUTE CARE OF MEDICALLY
12 COMPLEX PATIENTS WHO ARE CRITICALLY ILL.

13 "MEDICAL ASSISTANCE MANAGED CARE ORGANIZATION." A MEDICAID
14 MANAGED CARE ORGANIZATION AS DEFINED IN SECTION 1903(M) (1) (A) OF
15 THE SOCIAL SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1396B(M) (1)
16 (A)) THAT IS A PARTY TO A MEDICAID MANAGED CARE CONTRACT WITH
17 THE DEPARTMENT. THE TERM SHALL NOT INCLUDE A BEHAVIORAL HEALTH
18 MANAGED CARE ORGANIZATION THAT IS A PARTY TO A MEDICAID MANAGED
19 CARE CONTRACT WITH THE DEPARTMENT.

20 "NET INPATIENT REVENUE." GROSS CHARGES FOR FACILITIES FOR
21 INPATIENT SERVICES LESS ANY DEDUCTED AMOUNTS FOR BAD DEBT
22 EXPENSE, CHARITY CARE EXPENSE AND CONTRACTUAL ALLOWANCES AS
23 REPORTED ON FORMS SPECIFIED BY THE DEPARTMENT AND:

24 (1) AS IDENTIFIED IN THE HOSPITAL'S RECORDS FOR THE
25 STATE FISCAL YEAR COMMENCING JULY 1, [2007] 2010; OR

26 (2) AS IDENTIFIED IN THE HOSPITAL'S RECORDS FOR THE MOST
27 RECENT STATE FISCAL YEAR, OR PART THEREOF, IF AMOUNTS ARE NOT
28 AVAILABLE UNDER PARAGRAPH (1).

29 "PROGRAM." THE COMMONWEALTH'S MEDICAL ASSISTANCE PROGRAM AS
30 AUTHORIZED UNDER ARTICLE IV.

1 SECTION 12.2. SECTION 802-G OF THE ACT, ADDED JULY 9, 2010,
2 (P.L.336, NO.49), IS REENACTED TO READ:

3 SECTION 802-G. AUTHORIZATION.

4 IN ORDER TO GENERATE ADDITIONAL REVENUES FOR THE PURPOSE OF
5 ASSURING THAT MEDICAL ASSISTANCE RECIPIENTS HAVE ACCESS TO
6 HOSPITAL SERVICES, THE DEPARTMENT SHALL IMPLEMENT A MONETARY
7 ASSESSMENT, KNOWN AS THE QUALITY CARE ASSESSMENT, ON EACH
8 COVERED HOSPITAL SUBJECT TO THE CONDITIONS AND REQUIREMENTS
9 SPECIFIED IN THIS ARTICLE, INCLUDING SECTION 813-G.

10 SECTION 12.3. SECTION 803-G OF THE ACT, ADDED OR AMENDED
11 JULY 9, 2010 (P.L.336, NO.49) AND JUNE 30, 2011 (P.L.89, NO.22),
12 IS REENACTED AND AMENDED TO READ:

13 SECTION 803-G. IMPLEMENTATION.

14 (A) HEALTH CARE-RELATED FEE.--THE ASSESSMENT AUTHORIZED
15 UNDER THIS ARTICLE, ONCE IMPOSED, SHALL BE IMPLEMENTED AS A
16 HEALTH CARE-RELATED FEE AS DEFINED UNDER SECTION 1903(W) (3) (B)
17 OF THE SOCIAL SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1396B(W)
18 (3) (B)) OR ANY AMENDMENTS THERETO AND MAY BE COLLECTED ONLY TO
19 THE EXTENT AND FOR THE PERIODS THAT THE SECRETARY DETERMINES
20 THAT REVENUES GENERATED BY THE ASSESSMENT WILL QUALIFY AS THE
21 STATE SHARE OF PROGRAM EXPENDITURES ELIGIBLE FOR FEDERAL
22 FINANCIAL PARTICIPATION.

23 (B) ASSESSMENT PERCENTAGE.--SUBJECT TO SUBSECTION (C), EACH
24 COVERED HOSPITAL SHALL BE ASSESSED AS FOLLOWS:

25 (1) FOR FISCAL YEAR 2010-2011, EACH COVERED HOSPITAL
26 SHALL BE ASSESSED AN AMOUNT EQUAL TO 2.69% OF THE NET
27 INPATIENT REVENUE OF THE COVERED HOSPITAL; AND

28 (2) FOR FISCAL YEARS 2011-2012 [AND] 2012-2013, 2013-
29 2014, 2014-2015 AND 2015-2016, AN AMOUNT EQUAL TO 3.22% OF
30 THE NET INPATIENT REVENUE OF THE COVERED HOSPITAL.

1 (C) ADJUSTMENTS TO ASSESSMENT PERCENTAGE.--THE SECRETARY MAY
2 ADJUST THE ASSESSMENT PERCENTAGE SPECIFIED IN SUBSECTION (B),
3 PROVIDED THAT, BEFORE ADJUSTING, THE SECRETARY SHALL PUBLISH A
4 NOTICE IN THE PENNSYLVANIA BULLETIN THAT SPECIFIES THE PROPOSED
5 ASSESSMENT PERCENTAGE AND IDENTIFIES THE AGGREGATE IMPACT ON
6 COVERED HOSPITALS SUBJECT TO THE ASSESSMENT. INTERESTED PARTIES
7 SHALL HAVE 30 DAYS IN WHICH TO SUBMIT COMMENTS TO THE SECRETARY.
8 UPON EXPIRATION OF THE 30-DAY COMMENT PERIOD, THE SECRETARY,
9 AFTER CONSIDERATION OF THE COMMENTS, SHALL PUBLISH A SECOND
10 NOTICE IN THE PENNSYLVANIA BULLETIN ANNOUNCING THE ASSESSMENT
11 PERCENTAGE.

12 (D) MAXIMUM AMOUNT.--IN EACH YEAR IN WHICH THE ASSESSMENT IS
13 IMPLEMENTED, THE ASSESSMENT SHALL BE SUBJECT TO THE MAXIMUM
14 AGGREGATE AMOUNT THAT MAY BE ASSESSED UNDER 42 CFR 433.68(F)(3)
15 (I) (RELATING TO PERMISSIBLE HEALTH CARE-RELATED TAXES) OR ANY
16 OTHER MAXIMUM ESTABLISHED UNDER FEDERAL LAW.

17 (E) LIMITED REVIEW.--EXCEPT AS PERMITTED UNDER SECTION 810-
18 G, THE SECRETARY'S DETERMINATION OF THE ASSESSMENT PERCENTAGE
19 PURSUANT TO SUBSECTION (B) SHALL NOT BE SUBJECT TO
20 ADMINISTRATIVE OR JUDICIAL REVIEW UNDER 2 PA.C.S. CHS. 5 SUBCH.
21 A (RELATING TO PRACTICE AND PROCEDURE OF COMMONWEALTH AGENCIES)
22 AND 7 SUBCH. A (RELATING TO JUDICIAL REVIEW OF COMMONWEALTH
23 AGENCY ACTION) OR ANY OTHER PROVISION OF LAW; NOR SHALL ANY
24 ASSESSMENTS IMPLEMENTED UNDER THIS ARTICLE OR FORMS OR REPORTS
25 REQUIRED TO BE COMPLETED BY COVERED HOSPITALS PURSUANT TO THIS
26 ARTICLE BE SUBJECT TO THE ACT OF JULY 31, 1968 (P.L.769,
27 NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS LAW, THE ACT
28 OF OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS THE COMMONWEALTH
29 ATTORNEYS ACT, AND THE ACT OF JUNE 25, 1982 (P.L.633, NO.181),
30 KNOWN AS THE REGULATORY REVIEW ACT.

1 SECTION 12.4. SECTION 804-G OF THE ACT, AMENDED JUNE 30,
2 2011 (P.L.89, NO.22), IS REENACTED AND AMENDED TO READ:
3 SECTION 804-G. ADMINISTRATION.

4 (A) CALCULATION AND NOTICE OF ASSESSMENT AMOUNT.--USING THE
5 ASSESSMENT PERCENTAGE ESTABLISHED UNDER SECTION 803-G AND
6 COVERED HOSPITALS' NET INPATIENT REVENUE, THE DEPARTMENT SHALL
7 CALCULATE AND NOTIFY EACH COVERED HOSPITAL OF THE ASSESSMENT
8 AMOUNT OWED FOR THE FISCAL YEAR. NOTIFICATION PURSUANT TO THIS
9 SUBSECTION MAY BE MADE IN WRITING OR ELECTRONICALLY AT THE
10 DISCRETION OF THE DEPARTMENT.

11 (A.1) CALCULATION OF ASSESSMENT WITH CHANGES OF OWNERSHIP.--

12 (1) IF A SINGLE COVERED HOSPITAL CHANGES OWNERSHIP OR
13 CONTROL, THE DEPARTMENT WILL CONTINUE TO CALCULATE THE
14 ASSESSMENT AMOUNT USING THE HOSPITAL'S NET INPATIENT REVENUE
15 FOR STATE FISCAL YEAR [2008-2009] 2010-2011 OR FOR THE MOST
16 RECENT STATE FISCAL YEAR, OR PART THEREOF, IF THE STATE
17 FISCAL YEAR [2008-2009] 2010-2011 AMOUNTS ARE NOT AVAILABLE.
18 THE COVERED HOSPITAL IS LIABLE FOR ANY OUTSTANDING ASSESSMENT
19 AMOUNTS, INCLUDING OUTSTANDING AMOUNTS RELATED TO PERIODS
20 PRIOR TO THE CHANGE OF OWNERSHIP OR CONTROL.

21 (2) IF TWO OR MORE HOSPITALS MERGE OR CONSOLIDATE INTO A
22 SINGLE COVERED HOSPITAL AS A RESULT OF A CHANGE IN OWNERSHIP
23 OR CONTROL, THE DEPARTMENT WILL CALCULATE THE COVERED
24 HOSPITAL ASSESSMENT AMOUNT USING THE COMBINED NET INPATIENT
25 REVENUE FOR STATE FISCAL YEAR [2008-2009] 2010-2011 OR FOR
26 THE MOST RECENT STATE FISCAL YEAR, OR PART THEREOF, IF THE
27 STATE FISCAL YEAR [2008-2009] 2010-2011 AMOUNTS ARE NOT
28 AVAILABLE, OF ANY COVERED HOSPITALS THAT WERE MERGED OR
29 CONSOLIDATED INTO THE SINGLE COVERED HOSPITAL. THE SINGLE
30 COVERED HOSPITAL IS LIABLE FOR ANY OUTSTANDING ASSESSMENT

1 AMOUNTS, INCLUDING OUTSTANDING AMOUNTS RELATED TO PERIODS
2 PRIOR TO THE CHANGE OF OWNERSHIP OR CONTROL, OF ANY COVERED
3 HOSPITAL THAT WAS MERGED OR CONSOLIDATED.

4 (A.2) CALCULATION OF ASSESSMENT WITH CLOSURES OR OTHER
5 CHANGES IN OPERATION.--EXCEPT AS PROVIDED IN SUBSECTION (A.1)
6 (2), A COVERED HOSPITAL THAT CLOSES OR THAT BECOMES AN EXEMPT
7 HOSPITAL DURING A FISCAL YEAR IS LIABLE FOR BOTH:

8 (1) THE ANNUAL ASSESSMENT AMOUNT FOR THE FISCAL YEAR IN
9 WHICH THE CLOSURE OR CHANGE OCCURS PRORATED BY THE NUMBER OF
10 DAYS IN THE FISCAL YEAR DURING WHICH THE COVERED HOSPITAL WAS
11 IN OPERATION.

12 (2) ANY OUTSTANDING ASSESSMENT AMOUNTS RELATED TO
13 PERIODS PRIOR TO THE CLOSURE OR CHANGE IN OPERATION.

14 (A.3) CALCULATION OF ASSESSMENT FOR NEW HOSPITALS.--A
15 HOSPITAL THAT BEGINS OPERATION AS A COVERED HOSPITAL DURING A
16 FISCAL YEAR IN WHICH AN ASSESSMENT IS IN EFFECT SHALL BE
17 ASSESSED AS FOLLOWS:

18 (1) DURING THE STATE FISCAL YEAR IN WHICH A COVERED
19 HOSPITAL BEGINS OPERATION OR IN WHICH A HOSPITAL BECOMES A
20 COVERED HOSPITAL, THE COVERED HOSPITAL IS NOT SUBJECT TO THE
21 ASSESSMENT.

22 (2) FOR THE STATE FISCAL YEAR FOLLOWING THE STATE FISCAL
23 YEAR UNDER PARAGRAPH (1), THE DEPARTMENT SHALL CALCULATE THE
24 HOSPITAL'S ASSESSMENT AMOUNT USING THE NET INPATIENT REVENUE
25 FROM THE STATE FISCAL YEAR IN WHICH THE COVERED HOSPITAL
26 BEGAN OPERATION OR BECAME A COVERED HOSPITAL.

27 (3) FOR THE STATE FISCAL YEARS FOLLOWING THE FIRST FULL
28 STATE FISCAL YEAR UNDER PARAGRAPH (2), THE DEPARTMENT SHALL
29 CALCULATE THE HOSPITAL'S ASSESSMENT AMOUNT USING THE NET
30 INPATIENT REVENUE FROM THE PRIOR STATE FISCAL YEAR.

1 (B) PAYMENT.--A COVERED HOSPITAL SHALL PAY THE ASSESSMENT
2 AMOUNT DUE FOR A FISCAL YEAR IN FOUR QUARTERLY INSTALLMENTS.
3 PAYMENT OF A QUARTERLY INSTALLMENT SHALL BE MADE ON OR BEFORE
4 THE FIRST DAY OF THE SECOND MONTH OF THE QUARTER OR 30 DAYS FROM
5 THE DATE OF THE NOTICE OF THE QUARTERLY ASSESSMENT AMOUNT,
6 WHICHEVER DAY IS LATER.

7 (C) RECORDS.--UPON REQUEST BY THE DEPARTMENT, A COVERED
8 HOSPITAL SHALL FURNISH TO THE DEPARTMENT SUCH RECORDS AS THE
9 DEPARTMENT MAY SPECIFY IN ORDER FOR THE DEPARTMENT TO VALIDATE
10 THE NET INPATIENT REVENUE REPORTED BY THE HOSPITAL OR TO
11 DETERMINE THE ASSESSMENT FOR A FISCAL YEAR OR THE AMOUNT OF THE
12 ASSESSMENT DUE FROM THE COVERED HOSPITAL OR TO VERIFY THAT THE
13 COVERED HOSPITAL HAS PAID THE CORRECT AMOUNT DUE.

14 (D) UNDERPAYMENTS AND OVERPAYMENTS.--IN THE EVENT THAT THE
15 DEPARTMENT DETERMINES THAT A COVERED HOSPITAL HAS FAILED TO PAY
16 AN ASSESSMENT OR THAT IT HAS UNDERPAID AN ASSESSMENT, THE
17 DEPARTMENT SHALL NOTIFY THE COVERED HOSPITAL IN WRITING OF THE
18 AMOUNT DUE, INCLUDING INTEREST, AND THE DATE ON WHICH THE AMOUNT
19 DUE MUST BE PAID, WHICH SHALL NOT BE LESS THAN 30 DAYS FROM THE
20 DATE OF THE NOTICE. IN THE EVENT THAT THE DEPARTMENT DETERMINES
21 THAT A COVERED HOSPITAL HAS OVERPAID AN ASSESSMENT, THE
22 DEPARTMENT SHALL NOTIFY THE COVERED HOSPITAL IN WRITING OF THE
23 OVERPAYMENT AND, WITHIN 30 DAYS OF THE DATE OF THE NOTICE OF THE
24 OVERPAYMENT, SHALL EITHER REFUND THE AMOUNT OF THE OVERPAYMENT
25 OR OFFSET THE AMOUNT OF THE OVERPAYMENT AGAINST ANY AMOUNT THAT
26 MAY BE OWED TO THE DEPARTMENT FROM THE COVERED HOSPITAL.

27 SECTION 12.5. SECTION 805-G OF THE ACT, AMENDED OR ADDED
28 JULY 9, 2010 (P.L.336, NO.49) AND JUNE 30, 2011 (P.L.89, NO.22),
29 IS REENACTED AND AMENDED TO READ:
30 SECTION 805-G. RESTRICTED ACCOUNT.

1 (A) ESTABLISHMENT.--THERE IS ESTABLISHED A RESTRICTED
2 ACCOUNT, KNOWN AS THE QUALITY CARE ASSESSMENT ACCOUNT, IN THE
3 GENERAL FUND FOR THE RECEIPT AND DEPOSIT OF REVENUES COLLECTED
4 UNDER THIS ARTICLE. FUNDS IN THE ACCOUNT ARE APPROPRIATED TO THE
5 DEPARTMENT FOR THE FOLLOWING:

6 (1) MAKING MEDICAL ASSISTANCE PAYMENTS TO HOSPITALS IN
7 ACCORDANCE WITH SECTION 443.1(1.1) AND AS OTHERWISE SPECIFIED
8 IN THE COMMONWEALTH'S APPROVED TITLE XIX STATE PLAN.

9 (2) MAKING ADJUSTED CAPITATION PAYMENTS TO MEDICAL
10 ASSISTANCE MANAGED CARE ORGANIZATIONS FOR ADDITIONAL PAYMENTS
11 FOR INPATIENT HOSPITAL SERVICES IN ACCORDANCE WITH SECTION
12 443.1(1.2), (1.3) AND (1.4).

13 (3) ANY OTHER PURPOSE APPROVED BY THE SECRETARY FOR
14 INPATIENT HOSPITAL, OUTPATIENT HOSPITAL AND HOSPITAL-RELATED
15 SERVICES.

16 (B) LIMITATIONS.--

17 (1) FOR THE FIRST YEAR OF THE ASSESSMENT, THE AMOUNT
18 USED FOR THE MEDICAL ASSISTANCE PAYMENTS FOR HOSPITALS AND
19 MEDICAID MANAGED CARE ORGANIZATIONS MAY NOT EXCEED THE
20 AGGREGATE AMOUNT OF ASSESSMENT FUNDS COLLECTED FOR THE YEAR
21 LESS \$121,000,000.

22 (2) FOR THE SECOND YEAR OF THE ASSESSMENT, THE AMOUNT
23 USED FOR THE MEDICAL ASSISTANCE PAYMENTS FOR HOSPITALS AND
24 MEDICAL ASSISTANCE MANAGED CARE ORGANIZATIONS MAY NOT EXCEED
25 THE AGGREGATE AMOUNT OF ASSESSMENT FUNDS COLLECTED FOR THE
26 YEAR LESS \$109,000,000.

27 (4) FOR THE THIRD YEAR OF THE ASSESSMENT, THE AMOUNT
28 USED FOR THE MEDICAL ASSISTANCE PAYMENT FOR HOSPITALS AND
29 MEDICAL ASSISTANCE MANAGED CARE ORGANIZATIONS MAY NOT EXCEED
30 THE AGGREGATE AMOUNT OF THE ASSESSMENT FUNDS COLLECTED FOR

1 THE YEAR LESS \$109,000,000.

2 (4.1) FOR STATE FISCAL YEARS 2013-2014 AND 2014-2015,
3 THE AMOUNT USED FOR THE MEDICAL ASSISTANCE PAYMENT FOR
4 HOSPITALS AND MEDICAL ASSISTANCE MANAGED CARE ORGANIZATIONS
5 MAY NOT EXCEED THE AGGREGATE AMOUNT OF THE ASSESSMENT FUNDS
6 COLLECTED FOR THE YEAR LESS \$150,000,000.

7 (4.2) FOR STATE FISCAL YEAR 2015-2016, THE AMOUNT USED
8 FOR THE MEDICAL ASSISTANCE PAYMENT FOR HOSPITALS AND MEDICAL
9 ASSISTANCE MANAGED CARE ORGANIZATIONS MAY NOT EXCEED THE
10 AGGREGATE AMOUNT OF THE ASSESSMENT FUNDS COLLECTED FOR THE
11 YEAR LESS \$140,000,000.

12 (5) THE AMOUNTS RETAINED BY THE DEPARTMENT PURSUANT TO
13 PARAGRAPHS (1), (2) [AND], (4), (4.1) AND (4.2) AND ANY
14 ADDITIONAL AMOUNTS REMAINING IN THE RESTRICTED ACCOUNTS AFTER
15 THE PAYMENTS DESCRIBED IN SUBSECTION (A) (1) AND (2) ARE MADE
16 SHALL BE USED FOR PURPOSES APPROVED BY THE SECRETARY UNDER
17 SUBSECTION (A) (3).

18 (C) LAPSE.--FUNDS IN THE QUALITY CARE ASSESSMENT ACCOUNT
19 SHALL NOT LAPSE TO THE GENERAL FUND AT THE END OF A FISCAL YEAR.
20 IF THIS ARTICLE EXPIRES, THE DEPARTMENT SHALL USE ANY REMAINING
21 FUNDS FOR THE PURPOSES STATED IN THIS SECTION UNTIL THE FUNDS IN
22 THE QUALITY CARE ASSESSMENT ACCOUNT ARE EXHAUSTED.

23 SECTION 13. SECTIONS 806-G, 807-G, 808-G, 809-G, 810-G, 811-
24 G AND 812-G OF THE ACT, ADDED JULY 9, 2010, (P.L.336, NO.49),
25 ARE REENACTED TO READ:

26 SECTION 806-G. NO HOLD HARMLESS.

27 NO COVERED HOSPITAL SHALL BE DIRECTLY GUARANTEED A REPAYMENT
28 OF ITS ASSESSMENT IN DEROGATION OF 42 CFR 433.68(F) (RELATING TO
29 PERMISSIBLE HEALTH CARE-RELATED TAXES), EXCEPT THAT, IN EACH
30 FISCAL YEAR IN WHICH AN ASSESSMENT IS IMPLEMENTED, THE

1 DEPARTMENT SHALL USE THE FUNDS RECEIVED UNDER THIS ARTICLE FOR
2 THE PURPOSES OUTLINED UNDER SECTION 805-G TO THE EXTENT
3 PERMISSIBLE UNDER FEDERAL AND STATE LAW OR REGULATION AND
4 WITHOUT CREATING AN INDIRECT GUARANTEE TO HOLD HARMLESS, AS
5 THOSE TERMS ARE USED UNDER 42 CFR 433.68(F)(I). THE SECRETARY
6 SHALL SUBMIT TO THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN
7 SERVICES ANY STATE MEDICAID PLAN AMENDMENTS THAT ARE NECESSARY
8 TO MAKE THE PAYMENTS AUTHORIZED UNDER SECTION 805-G.
9 SECTION 807-G. FEDERAL WAIVER.

10 TO THE EXTENT NECESSARY IN ORDER TO IMPLEMENT THIS ARTICLE,
11 THE DEPARTMENT SHALL SEEK A WAIVER UNDER 42 CFR 433.68(E)
12 (RELATING TO PERMISSIBLE HEALTH CARE-RELATED TAXES) FROM THE
13 CENTERS FOR MEDICARE AND MEDICAID SERVICES OF THE UNITED STATES
14 DEPARTMENT OF HEALTH AND HUMAN SERVICES. THE DEPARTMENT SHALL
15 NOT IMPLEMENT THE ASSESSMENT UNTIL APPROVAL OF THE WAIVER IS
16 OBTAINED. UPON APPROVAL OF THE WAIVER, THE ASSESSMENT SHALL BE
17 IMPLEMENTED RETROACTIVE TO THE FIRST DAY OF THE FISCAL YEAR TO
18 WHICH THE WAIVER APPLIES.

19 SECTION 808-G. TAX EXEMPTION.

20 (A) GENERAL RULE.--NOTWITHSTANDING ANY EXEMPTIONS GRANTED BY
21 ANY OTHER FEDERAL, STATE OR LOCAL TAX OR OTHER LAW, NO COVERED
22 HOSPITAL OTHER THAN AN EXEMPT HOSPITAL SHALL BE EXEMPT FROM THE
23 ASSESSMENT.

24 (B) INTERPRETATION.--THE ASSESSMENT IMPOSED UNDER THIS
25 ARTICLE SHALL BE RECOGNIZED BY THE COMMONWEALTH AS UNCOMPENSATED
26 GOODS AND SERVICES UNDER THE ACT OF NOVEMBER 26, 1997 (P.L.508,
27 NO.55), KNOWN AS THE INSTITUTIONS OF PURELY PUBLIC CHARITY ACT,
28 AND SHALL BE CONSIDERED A COMMUNITY BENEFIT FOR PURPOSES OF ANY
29 REQUIRED OR VOLUNTARY COMMUNITY BENEFIT REPORT FILED OR PREPARED
30 BY A COVERED HOSPITAL.

1 SECTION 809-G. REMEDIES.

2 IN ADDITION TO ANY OTHER REMEDY PROVIDED BY LAW, THE
3 DEPARTMENT MAY ENFORCE THIS ARTICLE BY IMPOSING ONE OR MORE OF
4 THE FOLLOWING REMEDIES:

5 (1) WHEN A COVERED HOSPITAL FAILS TO PAY AN ASSESSMENT
6 OR PENALTY IN THE AMOUNT OR ON THE DATE REQUIRED BY THIS
7 ARTICLE, THE DEPARTMENT SHALL ADD INTEREST AT THE RATE
8 PROVIDED IN SECTION 806 OF THE ACT OF APRIL 9, 1929 (P.L.343,
9 NO.176), KNOWN AS THE FISCAL CODE, TO THE UNPAID AMOUNT OF
10 THE ASSESSMENT OR PENALTY FROM THE DATE PRESCRIBED FOR ITS
11 PAYMENT UNTIL THE DATE IT IS PAID.

12 (2) WHEN A COVERED HOSPITAL FAILS TO FILE A REPORT OR TO
13 FURNISH RECORDS TO THE DEPARTMENT AS REQUIRED BY THIS
14 ARTICLE, THE DEPARTMENT SHALL IMPOSE A PENALTY AGAINST THE
15 COVERED HOSPITAL IN THE AMOUNT OF \$1,000, PLUS AN ADDITIONAL
16 AMOUNT OF \$200 PER DAY FOR EACH ADDITIONAL DAY THAT THE
17 FAILURE TO FILE THE REPORT OR FURNISH THE RECORDS CONTINUES.

18 (3) WHEN A COVERED HOSPITAL THAT IS A MEDICAL ASSISTANCE
19 PROVIDER, OR THAT IS RELATED THROUGH COMMON OWNERSHIP OR
20 CONTROL AS DEFINED IN 42 CFR 413.17(B) (RELATING TO COST TO
21 RELATED ORGANIZATIONS) TO A MEDICAL ASSISTANCE PROVIDER,
22 FAILS TO PAY ALL OR PART OF AN ASSESSMENT OR PENALTY WITHIN
23 60 DAYS OF THE DATE THAT PAYMENT IS DUE, THE DEPARTMENT MAY
24 DEDUCT THE UNPAID ASSESSMENT OR PENALTY AND ANY INTEREST OWED
25 THEREON FROM ANY MEDICAL ASSISTANCE PAYMENTS DUE TO THE
26 COVERED HOSPITAL OR TO ANY RELATED MEDICAL ASSISTANCE
27 PROVIDER UNTIL THE FULL AMOUNT IS RECOVERED. ANY SUCH
28 DEDUCTION SHALL BE MADE ONLY AFTER WRITTEN NOTICE TO THE
29 COVERED HOSPITAL AND MEDICAL ASSISTANCE PROVIDER AND MAY BE
30 TAKEN IN INSTALLMENTS OVER A PERIOD OF TIME, TAKING INTO

1 ACCOUNT THE FINANCIAL CONDITION OF THE MEDICAL ASSISTANCE
2 PROVIDER.

3 (4) WITHIN 60 DAYS AFTER THE END OF EACH CALENDAR
4 QUARTER, THE DEPARTMENT SHALL NOTIFY THE DEPARTMENT OF HEALTH
5 OF ANY COVERED HOSPITAL THAT HAS ASSESSMENT, PENALTY OR
6 INTEREST AMOUNTS THAT HAVE REMAINED UNPAID FOR 90 DAYS OR
7 MORE. THE DEPARTMENT OF HEALTH SHALL NOT RENEW THE LICENSE OF
8 ANY SUCH COVERED HOSPITAL UNTIL THE DEPARTMENT NOTIFIES THE
9 DEPARTMENT OF HEALTH THAT THE COVERED HOSPITAL HAS PAID THE
10 OUTSTANDING AMOUNT IN ITS ENTIRETY OR THAT THE DEPARTMENT HAS
11 AGREED TO PERMIT THE COVERED HOSPITAL TO REPAY THE
12 OUTSTANDING AMOUNT IN INSTALLMENTS AND THAT, TO DATE, THE
13 COVERED HOSPITAL HAS PAID THE INSTALLMENTS IN THE AMOUNT AND
14 BY THE DATE REQUIRED BY THE DEPARTMENT.

15 (5) THE SECRETARY MAY WAIVE ALL OR PART OF THE INTEREST
16 OR PENALTIES ASSESSED AGAINST A COVERED HOSPITAL PURSUANT TO
17 THIS ARTICLE FOR GOOD CAUSE AS SHOWN BY THE COVERED HOSPITAL.
18 SECTION 810-G. REQUEST FOR REVIEW.

19 A COVERED HOSPITAL THAT IS AGGRIEVED BY A DETERMINATION OF
20 THE DEPARTMENT AS TO THE AMOUNT OF THE ASSESSMENT DUE FROM THE
21 COVERED HOSPITAL OR A REMEDY IMPOSED PURSUANT TO SECTION 809-G
22 MAY FILE A REQUEST FOR REVIEW OF THE DECISION OF THE DEPARTMENT
23 BY THE BUREAU OF HEARINGS AND APPEALS, WHICH SHALL HAVE
24 EXCLUSIVE JURISDICTION IN SUCH MATTERS. THE PROCEDURES AND
25 REQUIREMENTS OF 67 PA.C.S. CH. 11 (RELATING TO MEDICAL
26 ASSISTANCE HEARINGS AND APPEALS) SHALL APPLY TO REQUESTS FOR
27 REVIEW FILED PURSUANT TO THIS SECTION, EXCEPT THAT IN ANY SUCH
28 REQUEST FOR REVIEW, A COVERED HOSPITAL MAY NOT CHALLENGE AN
29 ASSESSMENT PERCENTAGE DETERMINED BY THE SECRETARY PURSUANT TO
30 SECTION 803-G(B) BUT ONLY WHETHER THE DEPARTMENT CORRECTLY

1 DETERMINED THE ASSESSMENT AMOUNT DUE FROM THE COVERED HOSPITAL
2 USING THE ASSESSMENT PERCENTAGE IN EFFECT FOR THE FISCAL YEAR. A
3 NOTICE OF REVIEW FILED PURSUANT TO THIS SECTION SHALL NOT
4 OPERATE AS A STAY OF THE COVERED HOSPITAL'S OBLIGATION TO PAY
5 THE ASSESSMENT AMOUNT DUE FOR A FISCAL YEAR AS SPECIFIED IN
6 SECTION 804-G(B).

7 SECTION 811-G. LIENS.

8 ANY ASSESSMENTS IMPLEMENTED AND INTEREST AND PENALTIES
9 ASSESSED AGAINST A COVERED HOSPITAL UNDER THIS ARTICLE SHALL BE
10 A LIEN ON THE REAL AND PERSONAL PROPERTY OF THE COVERED HOSPITAL
11 IN THE MANNER PROVIDED BY SECTION 1401 OF THE ACT OF APRIL 9,
12 1929 (P.L.343, NO.176), KNOWN AS THE FISCAL CODE, MAY BE ENTERED
13 BY THE DEPARTMENT IN THE MANNER PROVIDED BY SECTION 1404 OF THE
14 FISCAL CODE AND SHALL CONTINUE AND RETAIN PRIORITY IN THE MANNER
15 PROVIDED IN SECTION 1404.1 OF THE FISCAL CODE.

16 SECTION 812-G. REGULATIONS.

17 THE DEPARTMENT MAY ISSUE SUCH REGULATIONS AND ORDERS AS MAY
18 BE NECESSARY TO IMPLEMENT THE QUALITY CARE ASSESSMENT PROGRAM IN
19 ACCORDANCE WITH THE REQUIREMENTS OF THIS ARTICLE.

20 SECTION 14. SECTION 813-G OF THE ACT, AMENDED JUNE 30, 2011
21 (P.L.89, NO.22), IS REENACTED TO READ:

22 SECTION 813-G. CONDITIONS FOR PAYMENTS.

23 THE DEPARTMENT SHALL NOT BE REQUIRED TO MAKE PAYMENTS AS
24 SPECIFIED IN SECTION 443.1(1.1), (1.2), (1.3) AND (1.4) AND A
25 COVERED HOSPITAL SHALL NOT BE REQUIRED TO PAY THE QUALITY CARE
26 ASSESSMENT AS SPECIFIED IN SECTION 804-G(B) UNLESS ALL OF THE
27 FOLLOWING HAVE OCCURRED:

28 (1) THE DEPARTMENT RECEIVES FEDERAL APPROVAL OF A WAIVER
29 UNDER 42 CFR 433.68(E) (RELATING TO PERMISSIBLE HEALTH CARE-
30 RELATED TAXES) AUTHORIZING THE DEPARTMENT TO IMPLEMENT THE

1 QUALITY CARE ASSESSMENT AS SPECIFIED IN THIS ARTICLE.

2 (2) THE DEPARTMENT RECEIVES FEDERAL APPROVAL OF A STATE
3 PLAN AMENDMENT AUTHORIZING THE CHANGES TO ITS PAYMENT METHODS
4 AND STANDARDS SPECIFIED IN § 443.1(1.1)(II).

5 (3) THE DEPARTMENT RECEIVES FEDERAL APPROVAL OF
6 AMENDMENTS TO ITS MEDICAL ASSISTANCE MANAGED CARE
7 ORGANIZATION CONTRACTS AUTHORIZING ADJUSTMENTS TO ITS
8 CAPITATION PAYMENTS FUNDED IN ACCORDANCE WITH SECTION 805-G.
9 SECTION 15. SECTION 814-G OF THE ACT, ADDED JULY 9, 2010
10 (P.L.336, NO.49), IS REENACTED TO READ:

11 SECTION 814-G. REPORT.

12 NOT LATER THAN 180 DAYS PRIOR TO THE EXPIRATION DATE
13 SPECIFIED IN SECTION 815-G, THE DEPARTMENT SHALL PREPARE AND
14 SUBMIT A REPORT TO THE CHAIR AND MINORITY CHAIR OF THE PUBLIC
15 HEALTH AND WELFARE COMMITTEE OF THE SENATE, THE CHAIR AND
16 MINORITY CHAIR OF THE APPROPRIATIONS COMMITTEE OF THE SENATE,
17 THE CHAIR AND MINORITY CHAIR OF THE HEALTH AND HUMAN SERVICES
18 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE CHAIR AND
19 MINORITY CHAIR OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
20 REPRESENTATIVES. THE REPORT SHALL INCLUDE THE FOLLOWING:

21 (1) THE NAME, ADDRESS AND AMOUNT OF ASSESSMENT FOR EACH
22 COVERED HOSPITAL SUBJECT TO THE QUALITY CARE ASSESSMENT.

23 (2) THE TOTAL AMOUNT OF ASSESSMENT REVENUE COLLECTED FOR
24 EACH YEAR.

25 (3) THE AMOUNT OF ASSESSMENT PAID BY EACH COVERED
26 HOSPITAL, INCLUDING ANY INTEREST AND PENALTIES PAID.

27 (4) THE NAME AND ADDRESS OF EACH HOSPITAL RECEIVING
28 SUPPLEMENTAL PAYMENTS INSTITUTED AS A RESULT OF THE QUALITY
29 CARE ASSESSMENT.

30 (5) THE PAYMENT AMOUNT AND TYPE OF SUPPLEMENTAL PAYMENT

1 RECEIVED BY EACH HOSPITAL.

2 (6) THE TOTAL AMOUNT OF FEE-FOR-SERVICE INPATIENT ACUTE
3 CARE PAYMENT MADE TO EACH HOSPITAL.

4 (7) THE NUMBER OF MEDICAL ASSISTANCE PATIENT DAYS AND
5 DISCHARGES BY HOSPITAL.

6 (8) ANY PROPOSED CHANGES TO THE PAYMENT METHODOLOGIES
7 AND STANDARDS.

8 SECTION 15.1. SECTION 815-G OF THE ACT, ADDED JULY 9, 2010
9 (P.L.336, NO.49), IS REENACTED AND AMENDED TO READ:

10 SECTION 815-G. EXPIRATION.

11 THIS ARTICLE SHALL EXPIRE JUNE 30, [2013] 2016.

12 SECTION 16. SECTION 816-G OF THE ACT, ADDED JULY 9, 2010
13 (P.L.336, NO.49), IS REENACTED TO READ:

14 SECTION 816-G. RETROACTIVE APPLICABILITY.

15 THIS ARTICLE SHALL APPLY RETROACTIVELY TO JULY 1, 2010.

16 SECTION 17. SECTION 805-H(C) OF THE ACT IS AMENDED BY ADDING
17 A PARAGRAPH TO READ:

18 SECTION 805-H. FUNDING.

19 * * *

20 (C) PAYMENT CALCULATION.--

21 * * *

22 (5) FUNDS NOT USED TO MAKE PAYMENTS TO QUALIFYING
23 HOSPITALS ACCREDITED OR SEEKING ACCREDITATION AS LEVEL III
24 TRAUMA CENTERS SHALL BE USED TO MAKE PAYMENTS TO QUALIFYING
25 HOSPITALS ACCREDITED AS LEVEL I AND LEVEL II TRAUMA CENTERS.

26 * * *

27 SECTION 18. THE HEADING OF ARTICLE XIII OF THE ACT, ADDED
28 SEPTEMBER 30, 2003 (P.L.169, NO.25), IS AMENDED TO READ:

29 ARTICLE XIII

30 FAMILY FINDING AND KINSHIP CARE

1 Section 2 19. Section 1301 of the act, added September 30, <--
2 2003 (P.L.169, No.25), is amended to read:

3 Section 1301. [Scope] Legislative intent.

4 [This article relates to the Kinship Care Program.] This
5 article is intended to ensure that family finding occurs on an
6 ongoing basis for all children entering the child welfare
7 system. This article is also intended to promote the use of
8 kinship care when it is necessary to remove a child from the
9 child's home in an effort to:

10 (1) Identify and build positive connections between the
11 child and the child's relatives and kin.

12 (2) Support the engagement of relatives and kin in
13 children and youth social service planning and delivery.

14 (3) Create a network of extended family support to
15 assist in remedying the concerns that led the child to be
16 involved with the county agency.

17 Section 3 20. Section 1302 of the act is amended by adding <--
18 definitions to read:

19 Section 1302. Definitions.

20 The following words and phrases when used in this article
21 shall have the meanings given to them in this section unless the
22 context clearly indicates otherwise:

23 "Accept for service." Decide on the basis of the needs and
24 problems of an individual to admit or receive the individual as
25 a client of the county agency or as required by a court order
26 entered under 42 Pa.C.S. Ch. 63 (relating to juvenile matters).

27 * * *

28 "Family finding." Ongoing diligent efforts between a county
29 agency, or its contracted providers, and relatives and kin to:

30 (1) Search for and identify adult ~~maternal and paternal~~ <--

1 relatives and kin and engage them in children and youth
2 social service planning and delivery.

3 (2) Gain commitment from relatives and kin to support a
4 child or parent receiving children and youth social services.

5 * * *

6 Section 4 21. The act is amended by adding sections to read: <--

7 Section 1302.1. Family finding required.

8 Family finding shall be conducted for a child when the child
9 is accepted for services and at least annually thereafter, until
10 the child's involvement with the county agency is terminated or
11 the family finding is discontinued in accordance with section
12 1302.2.

13 Section 1302.2. Discontinuance of family finding.

14 (a) General rule.--A county agency may discontinue family
15 finding for a child under the following circumstances:

16 (1) The child has been adjudicated dependent pursuant to
17 42 Pa.C.S. Ch. 63 (relating to juvenile matters) and a court
18 has made a specific determination that continued family
19 finding no longer serves the best interests of the child or
20 is a threat to the child's safety.

21 (2) The child is not under the jurisdiction of a court
22 and the county agency has determined that continued family
23 finding is a threat to the child's safety. A determination
24 that continued family finding is a threat to the child's
25 safety must be based on credible information about a specific
26 safety threat, and the county agency shall document the
27 reasons for its determination.

28 (3) The child is in a preadoptive placement, and court
29 proceedings to adopt the child have been commenced pursuant
30 to 23 Pa.C.S. Part III (relating to adoption).

1 (b) Resuming family finding.--Notwithstanding the provisions
2 of subsection (a), a county agency shall resume family finding
3 for a child if:

4 (1) the child is under the jurisdiction of a court, and
5 the court determines that resuming family finding is best
6 suites to the safety, protection and physical, mental and
7 moral welfare of the child and does not pose a threat to the
8 child's safety; or

9 (2) the child is not under the jurisdiction of a court,
10 and THE COUNTY AGENCY DETERMINES THAT resuming family finding <--
11 serves the best interest of the child and does not pose a
12 threat to the child's safety.

13 ~~Section 5. Within one year of the effective date of the <--~~
14 ~~amendment or addition of sections 1301, 1302, 1302.1 and 1302.2~~
15 ~~of the act, the Department of Public Welfare shall promulgate~~
16 ~~regulations providing for the requirements of county agencies.~~

17 ~~Section 6. This act shall take effect in 60 days.~~

18 SECTION 22. SECTIONS 1402-B, 1404-B, 1405-B AND 1406-B OF <--
19 THE ACT, ADDED JUNE 30, 2012 (P.L.668, NO.80), ARE AMENDED TO
20 READ:

21 SECTION 1402-B. ESTABLISHMENT OF HUMAN SERVICES BLOCK GRANT
22 PILOT PROGRAM.

23 THE FOLLOWING SHALL APPLY TO THE HUMAN SERVICES BLOCK GRANT
24 PILOT PROGRAM.

25 (1) THE HUMAN SERVICES BLOCK GRANT PILOT PROGRAM IS
26 ESTABLISHED FOR THE PURPOSE OF ALLOCATING BLOCK GRANT FUNDS TO
27 COUNTY GOVERNMENTS TO PROVIDE LOCALLY IDENTIFIED COUNTY-BASED
28 HUMAN SERVICES THAT WILL MEET THE SERVICE NEEDS OF COUNTY
29 RESIDENTS. A COUNTY'S REQUEST TO PARTICIPATE IN THE BLOCK GRANT
30 SHALL BE ON A FORM AND CONTAIN SUCH INFORMATION AS THE

1 DEPARTMENT MAY PRESCRIBE.

2 (2) THE DEPARTMENT[, IN ITS DISCRETION,] MAY APPROVE A
3 COUNTY'S REQUEST BASED ON [CRITERIA DETERMINED BY THE
4 DEPARTMENT.] THE COUNTY'S PLAN TO PROVIDE HUMAN SERVICES AND
5 INTEGRATE ITS HUMAN SERVICE PROGRAMS. A COUNTY WITH A HISTORY OF
6 PARTICIPATION OR APPLICATION TO PARTICIPATE IN THE BLOCK GRANT
7 SHALL HAVE PRIORITY OVER A COUNTY WHICH HAS NOT PREVIOUSLY
8 APPLIED FOR THE BLOCK GRANT. THE DEPARTMENT SHALL ALSO CONSIDER
9 DIVERSITY IN REPRESENTATION OF COUNTIES, REGARDING SUCH FACTORS
10 AS:

11 (I) GEOGRAPHIC LOCATION.

12 (II) TOTAL POPULATION.

13 (III) URBAN, RURAL AND SUBURBAN POPULATION.

14 (IV) PROXIMITY TO A LARGE URBAN AREA.

15 (V) COUNTY CLASS.

16 (VI) FORM OF COUNTY GOVERNMENT.

17 (VII) WHETHER THE COUNTY IS PART OF A LOCAL COLLABORATIVE
18 ARRANGEMENT.

19 (VIII) THE COUNTY'S HUMAN SERVICES ADMINISTRATIVE STRUCTURE.

20 (3) NO MORE THAN [20] 30 COUNTIES MAY PARTICIPATE IN THE
21 BLOCK GRANT IN ANY FISCAL YEAR. A COUNTY'S PARTICIPATION IN THE
22 BLOCK GRANT IS VOLUNTARY.

23 SECTION 1404-B. POWERS AND DUTIES OF COUNTIES.

24 THE LOCAL COUNTY OFFICIALS OF EACH COUNTY GOVERNMENT
25 PARTICIPATING IN THE BLOCK GRANT SHALL HAVE THE POWER AND DUTY
26 TO:

27 (1) ADMINISTER AND DISBURSE BLOCK GRANT FUNDS FOR THE
28 PROVISION OF COUNTY-BASED HUMAN SERVICES IN ACCORDANCE WITH
29 THIS ARTICLE AND REGULATIONS PROMULGATED UNDER SECTION 1403-
30 B(10) AND FEDERAL REQUIREMENTS.

1 (2) ESTABLISH OR MAINTAIN, IN AGREEMENT WITH ANOTHER
2 COUNTY OR COUNTIES, LOCAL COLLABORATIVE ARRANGEMENTS FOR THE
3 DELIVERY OF ANY COUNTY-BASED HUMAN SERVICE. COUNTIES MAY
4 ESTABLISH NEW LOCAL COLLABORATIVE ARRANGEMENTS UNDER THIS
5 PARAGRAPH FOR THE PROVISION OF A SPECIFIC COUNTY-BASED HUMAN
6 SERVICE OR COUNTY-BASED HUMAN SERVICES, SUBJECT TO APPROVAL
7 BY THE SECRETARY.

8 (3) DETERMINE AND REDETERMINE, WHEN NECESSARY, WHETHER A
9 PERSON IS ELIGIBLE TO PARTICIPATE IN A COUNTY-BASED HUMAN
10 SERVICE, SUBJECT TO APPEAL UNDER 2 PA.C.S. CH. 5 SUBCH. B
11 (RELATING TO PRACTICE AND PROCEDURES OF LOCAL AGENCIES).

12 (4) SUBMIT REQUIRED REPORTS UNDER SECTION 1403-B(B) (4) .

13 (5) SUBMIT TO THE DEPARTMENT AN ANNUAL HUMAN SERVICES
14 BLOCK GRANT PILOT PLAN TO INCLUDE THE INTENDED DELIVERY OF
15 COUNTY-BASED HUMAN SERVICES BY CLIENT POPULATION TO BE
16 SERVED, INCLUDING A DETAILED DESCRIPTION OF HOW THE COUNTY
17 INTENDS TO SERVE ITS RESIDENTS IN THE LEAST RESTRICTIVE
18 SETTING APPROPRIATE TO THEIR NEEDS AND THE DISTRIBUTION AND
19 THE PROJECTED EXPENDITURE LEVEL OF BLOCK GRANT FUNDS BY
20 COUNTY-BASED HUMAN SERVICES ALLOCATED UNDER THIS ARTICLE IN
21 SUCH FORM AND CONTAINING SUCH INFORMATION AS THE DEPARTMENT
22 MAY REQUIRE. PRIOR TO SUBMITTING THE ANNUAL HUMAN SERVICES
23 BLOCK GRANT PILOT PLAN TO THE DEPARTMENT, THE COUNTY SHALL
24 HOLD AT LEAST TWO PUBLIC HEARINGS ON THE PLAN UNDER 65
25 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS), WHICH SHALL
26 INCLUDE AN OPPORTUNITY FOR INDIVIDUALS AND FAMILIES WHO
27 RECEIVE SERVICES TO TESTIFY ABOUT THE PLAN.

28 (6) SUBMIT TO THE DEPARTMENT A WRITTEN NOTICE IF A
29 COUNTY INTENDS TO OPT OUT OF THE BLOCK GRANT. SUCH OPT OUT
30 SHALL TAKE EFFECT AT THE BEGINNING OF THE NEXT STATE FISCAL

1 YEAR.

2 SECTION 1405-B. ALLOCATION.

3 (A) ALLOCATION.--THE DEPARTMENT SHALL ALLOCATE STATE BLOCK
4 GRANT FUNDS TO COUNTIES AS FOLLOWS:

5 (1) THE DEPARTMENT SHALL ALLOCATE STATE BLOCK GRANT
6 FUNDS ACCORDING TO EACH COUNTY'S PROPORTIONAL SHARE OF THE
7 AGGREGATE AMOUNT OF THE FOLLOWING STATE FUNDS ALLOCATED FOR
8 FISCAL YEAR 2011-2012:

9 (I) FUNDS ALLOCATED TO COUNTIES UNDER THE ACT OF
10 OCTOBER 5, 1994 (P.L.531, NO.78), KNOWN AS THE HUMAN
11 SERVICES DEVELOPMENT FUND ACT.

12 (II) FUNDS ALLOCATED TO COUNTIES FOR MENTAL HEALTH
13 AND INTELLECTUAL DISABILITY SERVICES UNDER THE ACT OF
14 OCTOBER 20, 1966 (3RD SP.SESS., P.L.96, NO.6), KNOWN AS
15 THE MENTAL HEALTH AND INTELLECTUAL DISABILITY ACT OF
16 1966.

17 (III) FUNDS ALLOCATED TO COUNTIES FOR BEHAVIORAL
18 HEALTH SERVICES.

19 (IV) FUNDS ALLOCATED TO COUNTIES FOR DRUG AND
20 ALCOHOL SERVICES UNDER SECTION 2334 OF THE ACT OF APRIL
21 9, 1929 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE
22 CODE OF 1929.

23 (V) FUNDS ALLOCATED TO COUNTIES FOR THE PROVISION OF
24 SERVICES TO THE HOMELESS.

25 (VI) FUNDS ALLOCATED TO COUNTY CHILD WELFARE
26 AGENCIES AS CERTAIN ADDITIONAL GRANTS UNDER SECTION
27 704.1(B).

28 (2) THE DEPARTMENT SHALL ALLOCATE FEDERAL BLOCK GRANT
29 FUNDS TO COUNTIES ACCORDING TO EACH COUNTY'S FISCAL YEAR
30 2011-2012 PROPORTIONAL SHARE OF EACH FEDERAL APPROPRIATION

1 ASSOCIATED WITH THE FUNDS IDENTIFIED IN PARAGRAPH (1).

2 (3) FUNDS IDENTIFIED IN PARAGRAPHS (1) AND (2) THAT WERE
3 ALLOCATED TO COUNTY LOCAL COLLABORATIVE ARRANGEMENTS SHALL BE
4 ALLOCATED TO INDIVIDUAL COUNTIES BASED ON THE INDIVIDUAL
5 COUNTY POPULATION.

6 (4) THE DEPARTMENT MAY REVISE THE ALLOCATION OF FEDERAL
7 FUNDS IDENTIFIED IN PARAGRAPH (2) AS NECESSARY TO COMPLY WITH
8 APPLICABLE FEDERAL REQUIREMENTS.

9 (A.1) ADJUSTMENT OF ALLOCATION.--THE DEPARTMENT MAY ADJUST
10 GRANTS UNDER THIS ARTICLE TO A COUNTY PARTICIPATING IN THE BLOCK
11 GRANT BASED ON THE COUNTY'S DEMONSTRATED NEED FOR FUNDS TO MEET
12 THE SPECIFIC HUMAN SERVICES NEEDS OF ITS RESIDENTS FOR A FISCAL
13 YEAR. SUCH ADJUSTMENT SHALL NOT BE CONSIDERED IN THE COUNTY'S
14 ALLOCATION UNDER SUBSECTION (A) FOR ANY SUBSEQUENT FISCAL YEAR.

15 (B) EXPENDITURE.--EACH COUNTY PARTICIPATING IN THE BLOCK
16 GRANT SHALL EXPEND ITS ALLOCATED BLOCK GRANT FUNDS AS FOLLOWS:

17 (1) FOR STATE FISCAL YEAR 2012-2013, EACH COUNTY SHALL
18 EXPEND ON EACH OF THE FOLLOWING COUNTY-BASED HUMAN SERVICES
19 AT LEAST 80% OF THE AMOUNT THE COUNTY IS ALLOCATED UNDER THE
20 FUNDS IDENTIFIED IN SUBSECTION (A) (1) FOR THAT COUNTY-BASED
21 HUMAN SERVICE:

22 (I) COMMUNITY-BASED MENTAL HEALTH SERVICES.

23 (II) INTELLECTUAL DISABILITY SERVICES.

24 (III) CHILD WELFARE SERVICES.

25 (IV) DRUG AND ALCOHOL TREATMENT AND PREVENTION
26 SERVICES.

27 (V) HOMELESS ASSISTANCE SERVICES.

28 (VI) BEHAVIORAL HEALTH SERVICES.

29 (2) FOR STATE FISCAL YEAR 2013-2014, EACH COUNTY SHALL
30 EXPEND ON EACH OF THE FOLLOWING COUNTY-BASED HUMAN SERVICES

1 AT LEAST 75% OF THE AMOUNT THE COUNTY WAS ALLOCATED UNDER THE
2 FUNDS IDENTIFIED IN SUBSECTION (A) (1) FOR THAT COUNTY-BASED
3 HUMAN SERVICE:

4 (I) COMMUNITY-BASED MENTAL HEALTH SERVICES.

5 (II) INTELLECTUAL DISABILITY SERVICES.

6 (III) CHILD WELFARE SERVICES.

7 (IV) DRUG AND ALCOHOL TREATMENT AND PREVENTION
8 SERVICES.

9 (V) HOMELESS ASSISTANCE SERVICES.

10 (VI) BEHAVIORAL HEALTH SERVICES.

11 (3) FOR STATE FISCAL YEAR 2014-2015, EACH COUNTY SHALL
12 EXPEND ON EACH OF THE FOLLOWING COUNTY-BASED HUMAN SERVICES
13 AT LEAST 50% OF THE AMOUNT THE COUNTY IS ALLOCATED UNDER THE
14 FUNDS IDENTIFIED IN SUBSECTION (A) (1) FOR THAT COUNTY-BASED
15 HUMAN SERVICE:

16 (I) COMMUNITY-BASED MENTAL HEALTH SERVICES.

17 (II) INTELLECTUAL DISABILITY SERVICES.

18 (III) CHILD WELFARE SERVICES.

19 (IV) DRUG AND ALCOHOL TREATMENT AND PREVENTION
20 SERVICES.

21 (V) HOMELESS ASSISTANCE SERVICES.

22 (VI) BEHAVIORAL HEALTH SERVICES.

23 (4) FOR STATE FISCAL YEAR 2015-2016, EACH COUNTY SHALL
24 EXPEND ON EACH OF THE FOLLOWING COUNTY-BASED HUMAN SERVICES
25 AT LEAST 25% OF THE AMOUNT THE COUNTY IS ALLOCATED UNDER THE
26 FUNDS IDENTIFIED IN SUBSECTION (A) (1), FOR THAT COUNTY-BASED
27 HUMAN SERVICE:

28 (I) COMMUNITY-BASED MENTAL HEALTH SERVICES.

29 (II) INTELLECTUAL DISABILITY SERVICES.

30 (III) CHILD WELFARE SERVICES.

1 (IV) DRUG AND ALCOHOL TREATMENT AND PREVENTION
2 SERVICES.

3 (V) HOMELESS ASSISTANCE SERVICES.

4 (VI) BEHAVIORAL HEALTH SERVICES.

5 (5) FOR STATE FISCAL YEAR 2016-2017 AND THEREAFTER,
6 COUNTIES MAY EXPEND BLOCK GRANT FUNDS ON COUNTY-BASED HUMAN
7 SERVICES AS DETERMINED BY LOCAL NEED.

8 (C) WAIVER.--A COUNTY MAY REQUEST IN WRITING THAT THE
9 DEPARTMENT WAIVE THE REQUIREMENTS OF SUBSECTION (B). [THE
10 DEPARTMENT MAY, IN ITS DISCRETION, GRANT THE REQUEST UPON GOOD
11 CAUSE SHOWN BY THE COUNTY.] THE DEPARTMENT MAY GRANT THE REQUEST
12 UPON A SHOWING BY THE COUNTY THAT SPECIFIC CIRCUMSTANCES CREATE
13 A LOCAL NEED FOR FUNDS TO PROVIDE A HUMAN SERVICE THAT CANNOT BE
14 MET WITHOUT A WAIVER, AND THAT ADEQUATE AND APPROPRIATE ACCESS
15 TO OTHER HUMAN SERVICES WILL REMAIN AVAILABLE IN THE COUNTY. A
16 REQUEST FOR A WAIVER UNDER THIS SUBSECTION SHALL SPECIFY THE
17 AMOUNT OF FUNDS AND THE HUMAN SERVICES ON WHICH THOSE FUNDS WILL
18 BE TRANSFERRED AND EXPENDED.

19 (D) USE OF REMAINING FUNDS.--EXCEPT AS PROVIDED IN
20 SUBSECTION (B), COUNTIES MAY EXPEND THE REMAINING BLOCK GRANT
21 FUNDS ON COUNTY-BASED HUMAN SERVICES NEEDS AS DETERMINED BY
22 COUNTY OFFICIALS.

23 (E) CONTRIBUTION TO LOCAL COLLABORATIVE ARRANGEMENT.--EACH
24 COUNTY THAT IS PART OF A LOCAL COLLABORATIVE ARRANGEMENT IN
25 ACCORDANCE WITH SECTION 1404-B(2) SHALL CONTRIBUTE AT A MINIMUM
26 THE PERCENTAGE OF FUNDS SPECIFIED IN SUBSECTION (B) TO THE LOCAL
27 COLLABORATIVE ARRANGEMENT FOR THE PROVISION OF THE COUNTY-BASED
28 HUMAN SERVICES DELIVERED BY THE LOCAL COLLABORATIVE ARRANGEMENT.
29 SECTION 1406-B. USE OF BLOCK GRANT FUNDS.

30 (A) GENERAL RULE.--BLOCK GRANT FUNDS RECEIVED BY COUNTIES

1 UNDER THIS ARTICLE SHALL BE USED SOLELY FOR THE PROVISION OF
2 COUNTY-BASED HUMAN SERVICES.

3 (B) REINVESTMENT.--A COUNTY PARTICIPATING IN THE BLOCK GRANT
4 MAY SUBMIT TO THE DEPARTMENT A WRITTEN PLAN TO REINVEST UP TO 3%
5 OF ITS BLOCK GRANT ALLOCATION FOR ANY STATE FISCAL YEAR TO BE
6 EXPENDED ON COUNTY-BASED HUMAN SERVICES IN THE NEXT STATE FISCAL
7 YEAR. THE 3% LIMITATION MAY BE WAIVED BY THE DEPARTMENT UPON
8 [GOOD CAUSE SHOWN BY THE COUNTY.] A SHOWING BY THE COUNTY THAT
9 IT HAS A SPECIFIC AND DETAILED PLAN TO REINVEST THE FUNDS TO
10 EXPAND ACCESS TO HUMAN SERVICES BASED ON LOCAL NEED AND THAT
11 ADEQUATE AND AVAILABLE HUMAN SERVICES WILL REMAIN AVAILABLE IN
12 THE COUNTY. A REQUEST FOR A WAIVER UNDER THIS SUBSECTION SHALL
13 INCLUDE ALL OF THE FOLLOWING:

14 (1) THE SPECIFIC AMOUNT OF FUNDS THE COUNTY SEEKS TO
15 REINVEST.

16 (2) AN EXPLANATION WHY THE FUNDS WERE NOT EXPENDED FOR
17 HUMAN SERVICES DURING THE FISCAL YEAR.

18 (3) AN EXPLANATION HOW THE REINVESTMENT WILL SUPPORT THE
19 PLAN SUBMITTED UNDER SECTION 1404-B(5).

20 (4) THE PROJECTED TIME PERIOD FOR EXPENDITURE OF THE
21 FUNDS.

22 (C) ELIGIBILITY.--NO COUNTY SHALL BE REQUIRED TO EXPEND
23 BLOCK GRANT FUNDS UNDER THIS ARTICLE ON BEHALF OF AN INDIVIDUAL
24 UNTIL THE INDIVIDUAL HAS EXHAUSTED ELIGIBILITY AND RECEIPT OF
25 BENEFITS UNDER ALL OTHER EXISTING FEDERAL, STATE, LOCAL OR
26 PRIVATE PROGRAMS.

27 (D) ALLOCATION.--FOR STATE FISCAL YEAR 2012-2013, EACH
28 COUNTY IN EXPENDING BLOCK GRANT FUNDS SHALL PROVIDE LOCAL
29 MATCHING FUNDS FOR BLOCK GRANT FUNDS ALLOCATED TO IT IN THE SAME
30 PERCENTAGE AS THAT COUNTY'S AGGREGATE LOCAL MATCH PERCENTAGE FOR

1 THE STATE FUNDS IDENTIFIED IN SECTION 1405-B(A) (1) IN STATE
2 FISCAL YEAR 2010-2011. FOR EACH STATE FISCAL YEAR THEREAFTER,
3 EACH COUNTY IN EXPENDING BLOCK GRANT FUNDS SHALL PROVIDE LOCAL
4 MATCHING FUNDS FOR STATE BLOCK GRANT FUNDS ALLOCATED TO IT IN
5 THE SAME PERCENTAGE AS THAT COUNTY'S AGGREGATE LOCAL MATCH
6 PERCENTAGE FOR THE STATE FUNDS IDENTIFIED IN SECTION 1405-B(A)
7 (1) IN STATE FISCAL YEAR 2011-2012.

8 (E) COUNTY OBLIGATION.--EXCEPT AS PROVIDED IN SUBSECTION
9 (D), COUNTIES SHALL HAVE NO FINANCIAL OBLIGATION TO PROVIDE
10 HUMAN SERVICES UNDER THIS ARTICLE IN EXCESS OF THEIR ALLOCATION
11 OF BLOCK GRANT FUNDS FOR ANY FISCAL YEAR.

12 SECTION 23. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

13 (1) THE AMENDMENT OR ADDITION OF SECTIONS 102 AND 103 OF
14 THE ACT SHALL TAKE EFFECT DECEMBER 31, 2013.

15 (2) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
16 IMMEDIATELY:

17 (I) THE ADDITION OF SECTION 441.10 OF THE ACT.

18 (II) THE AMENDMENT OF SECTION 443.1(1.1)(I), (1.4)
19 AND (7)(IV) AND (V) OF THE ACT.

20 (III) THE AMENDMENT OR ADDITION OF SECTIONS
21 704.1(G), (G.1) AND (G.2) AND 704.3 OF THE ACT.

22 (IV) THE AMENDMENT OF THE HEADING OF ARTICLE VIII-C
23 AND SECTIONS 801-C, 802-C, 803-C, 804-C, 805-C, 806-C,
24 807-C, 808-C, 809-C, 810-C AND 811-C OF THE ACT.

25 (V) THE AMENDMENT OF SECTIONS 802-E AND 808-E OF THE
26 ACT.

27 ~~(VI) THE AMENDMENT OR ADDITION OF THE DEFINITION OF <--~~
28 ~~"NET INPATIENT REVENUE" IN SECTION 801 G AND SECTIONS~~
29 ~~803 G(B), 804 G(A.1) AND (A.3), 805 G(A)(3), (B)(4.1),~~
30 ~~(4.2) AND (5) AND 815 G OF THE ACT.~~

1 (VI) THE REENACTMENT AND AMENDMENT OF ARTICLE VIII-G <--
2 OF THE ACT.

3 (VII) THE AMENDMENT OF THE HEADING OF ARTICLE XIV-B,
4 AND SECTIONS 1402-B, 1403-B, 1404-B, 1405-B AND 1406-B OF
5 THE ACT.

6 (VIII) THIS SECTION.

7 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
8 DAYS.