Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An act to consolidate, editorially revise, and codify the public welfare laws of the Commonwealth," in public assistance, further providing for definitions, for general assistance-related categorically needy and medically needy only medical assistance programs and for the medically needy and determination of eligibility.

AMENDING THE ACT OF JUNE 13, 1967 (P.L.31, NO.21), ENTITLED "AN ACT TO CONSOLIDATE, EDITORIALLY REVISE, AND CODIFY THE PUBLIC WELFARE LAWS OF THE COMMONWEALTH," IN PUBLIC ASSISTANCE, FURTHER PROVIDING FOR DEFINITIONS, FOR GENERAL ASSISTANCE-RELATED CATEGORICALLY NEEDY AND MEDICALLY NEEDY ONLY MEDICAL ASSISTANCE PROGRAMS, FOR THE MEDICALLY NEEDY AND DETERMINATION OF ELIGIBILITY AND FOR MEDICAL ASSISTANCE PAYMENTS FOR INSTITUTIONAL CARE; IN HOSPITAL ASSESSMENTS, FURTHER PROVIDING FOR DEFINITIONS, FOR AUTHORIZATION, FOR ADMINISTRATION, FOR NO HOLD HARMLESS, FOR TAX EXEMPTION AND FOR TIME PERIOD; AND, IN STATEWIDE QUALITY CARE ASSESSMENT, FURTHER PROVIDING FOR DEFINITIONS.

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

Section 1. Section 402 introductory paragraph and the definition of "general assistance" of the act of June 13, 1967 (P.L.31, No.21), known as the Human Services Code, amended June—
30, 2012 (P.L.668, No.80), amendment declared unconstitutional, 188 A.3d 1135, (Pa. 2018), are amended and the section is amended by adding a definition to read:

Section 402. Definitions.--As used in this article, unless the context clearly indicates otherwise:

* * *

"General assistance" means assistance granted under the provisions of section 432(3) of this act.

"General assistance-related categorically needy medical assistance" means medical assistance for persons who meet the requirements under section 432(3).

* * *

Section 2. Section 403.2 of the act, added June 30, 2012 (P.L.668, No.80), addition declared unconstitutional, 188 A.3d 1135, (Pa. 2018), is reenacted and amended to read:

Section 403.2. General Assistance-Related Categorically Needy and Medically Needy Only Medical Assistance Programs.--(a) Subject to subsection (b) and notwithstanding any other provision of law, the general assistance cash assistance program shall cease [August 1, 2012] July 1, 2019.

(b) The general assistance-related categorically needy medical assistance program shall continue, including, but not limited to, the eligibility and work and work related requirements under this article. The general assistance-related medical assistance program for the medically needy only shall continue.

Section 3. Section 442.1(a)(3) introductory paragraph and (i) of the act, amended June 30, 2012 (P.L.668, No.80), amendment declared unconstitutional, 188 A.3d 1135, (Pa. 2018), are amended to read:
Section 442.1. The Medically Needy; Determination of Eligibility.--(a) A person shall be considered medically needy if that person meets the requirements of clauses (1), (2) and (3):  

* * *  

(3) Complies with [either] subclause [(i) or] (ii):  

[(i) Receives general assistance in the form of cash.]  

* * *  

Section 4. This act shall take effect as follows:  

(1) The amendment of section 442.1(a)(3) introductory paragraph and (i) of the act shall take effect July 1, 2019.  

(2) The remainder of this act shall take effect immediately.  


SECTION 402. DEFINITIONS.--AS USED IN THIS ARTICLE, UNLESS THE [CONTENT] CONTEXT CLEARLY INDICATES OTHERWISE:  

* * *  

["GENERAL ASSISTANCE" MEANS ASSISTANCE GRANTED UNDER THE PROVISIONS OF SECTION 432(3) OF THIS ACT.]  

"GENERAL ASSISTANCE-RELATED CATEGORICALLY NEEDY MEDICAL ASSISTANCE" MEANS MEDICAL ASSISTANCE FOR PERSONS WHO MEET THE REQUIREMENTS UNDER SECTION 432(3).  

* * *  

SECTION 2. SECTION 403.2 OF THE ACT, ADDED JUNE 30, 2012 (P.L.668, NO.80), ADDITION DECLARED UNCONSTITUTIONAL, 188 A.3D
1135, (PA. 2018), IS REENACTED AND AMENDED TO READ:

SECTION 403.2. GENERAL ASSISTANCE-RELATED CATEGORICALLY NEEDY AND MEDICALLY NEEDY ONLY MEDICAL ASSISTANCE PROGRAMS.--(A) SUBJECT TO SUBSECTION (B) AND NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE GENERAL ASSISTANCE CASH ASSISTANCE PROGRAM SHALL CEASE [AUGUST 1, 2012] AUGUST 1, 2019.

(B) THE GENERAL ASSISTANCE-RELATED CATEGORICALLY NEEDY MEDICAL ASSISTANCE PROGRAM SHALL CONTINUE, INCLUDING, BUT NOT LIMITED TO, THE ELIGIBILITY AND WORK AND WORK-RELATED REQUIREMENTS UNDER THIS ARTICLE. THE GENERAL ASSISTANCE-RELATED MEDICAL ASSISTANCE PROGRAM FOR THE MEDICALLY NEEDY ONLY SHALL CONTINUE.

SECTION 3. SECTION 442.1(A)(3) INTRODUCTORY PARAGRAPH AND (I) OF THE ACT, AMENDED JUNE 30, 2012 (P.L.668, NO.80), AMENDMENT DECLARED UNCONSTITUTIONAL, 188 A.3D 1135, (PA. 2018), ARE AMENDED TO READ:

SECTION 442.1. THE MEDICALLY NEEDY; DETERMINATION OF ELIGIBILITY.--(A) A PERSON SHALL BE CONSIDERED MEDICALLY NEEDY IF THAT PERSON MEETS THE REQUIREMENTS OF CLAUSES (1), (2) AND (3):

* * *

(3) COMPLIES WITH [EITHER] SUBCLAUSE [(I) OR] (II):

[(I) RECEIVES GENERAL ASSISTANCE IN THE FORM OF CASH.] * * *

SECTION 4. SECTION 443.1(1.1)(I) AND (7)(VI) OF THE ACT, AMENDED JUNE 22, 2018 (P.L.258, NO.40), ARE AMENDED TO READ:

SECTION 443.1. MEDICAL ASSISTANCE PAYMENTS FOR INSTITUTIONAL CARE.--THE FOLLOWING MEDICAL ASSISTANCE PAYMENTS SHALL BE MADE ON BEHALF OF ELIGIBLE PERSONS WHOSE INSTITUTIONAL CARE IS PRESCRIBED BY PHYSICIANS:
(1.1) Subject to Section 813-G, for inpatient hospital services provided during a fiscal year in which an assessment is imposed under Article VIII-G, payments under the Medical Assistance Fee-for-Service Program shall be determined in accordance with the Department's regulations, except as follows:

(I) If the Commonwealth's approved Title XIX state plan for inpatient hospital services in effect for the period of July 1, 2010, through June 30, [2018] 2023, specifies a methodology for calculating payments that is different from the Department's regulations or authorizes additional payments not specified in the Department's regulations, such as inpatient disproportionate share payments and direct medical education payments, the Department shall follow the methodology or make the additional payments as specified in the approved Title XIX state plan.

(7) After June 30, 2007, payments to county and nonpublic nursing facilities enrolled in the Medical Assistance Program as providers of nursing facility services shall be determined in accordance with the methodologies for establishing payment rates for county and nonpublic nursing facilities specified in the Department's regulations and the Commonwealth's approved Title XIX state plan for nursing facility services in effect after June 30, 2007. The following shall apply:

(VI) Subject to federal approval of such amendments as may be necessary to the Commonwealth's approved Title XIX state plan, for fiscal years 2015-2016, 2016-2017, 2018-2019, and 2019-2020, the Department shall make up to four Medical Assistance day-one incentive payments to qualified nonpublic
NURSING FACILITIES. THE DEPARTMENT SHALL DETERMINE THE NONPUBLIC
NURSING FACILITIES THAT QUALIFY FOR THE MEDICAL ASSISTANCE DAY-
ONE INCENTIVE PAYMENTS AND CALCULATE THE PAYMENTS USING THE
TOTAL PENNSYLVANIA MEDICAL ASSISTANCE (PA MA) DAYS AND TOTAL
RESIDENT DAYS AS REPORTED BY NONPUBLIC NURSING FACILITIES UNDER
ARTICLE VIII-A. THE DEPARTMENT'S DETERMINATION AND CALCULATIONS
UNDER THIS SUBPARAGRAPH SHALL BE BASED ON THE NURSING FACILITY
ASSESSMENT QUARTERLY RESIDENT DAY REPORTING FORMS, AS DETERMINED
BY THE DEPARTMENT. THE DEPARTMENT SHALL NOT RETROACTIVELY REVISE
A MEDICAL ASSISTANCE DAY-ONE INCENTIVE PAYMENT AMOUNT BASED ON A
DEPARTMENT'S LATE SUBMISSION OR REVISION OF THE
DEPARTMENT'S REPORT AFTER THE DATES DESIGNATED BY THE
DEPARTMENT. THE DEPARTMENT, HOWEVER, MAY RECOUP PAYMENTS BASED
ON AN AUDIT OF A NURSING FACILITY'S REPORT. THE FOLLOWING SHALL
APPLY:

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

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

(II) THE NURSING FACILITY SHALL HAVE A MEDICAL ASSISTANCE
OCCUPANCY RATE OF AT LEAST SIXTY-FIVE PERCENT DURING THE
RESIDENT DAY QUARTER. FOR PURPOSES OF DETERMINING A NURSING
FACILITY'S MEDICAL ASSISTANCE OCCUPANCY RATE, THE NURSING
FACILITY'S TOTAL PA MA DAYS SHALL BE DIVIDED BY THE NURSING
FACILITY'S TOTAL RESIDENT DAYS, AS REPORTED BY THE FACILITY
UNDER ARTICLE VIII-A.

(III) THE NURSING FACILITY SHALL BE A NONPUBLIC NURSING
FACILITY FOR A FULL RESIDENT DAY QUARTER PRIOR TO THE APPLICABLE
QUARTERLY REPORTING DUE DATES, AS DETERMINED BY THE DEPARTMENT.

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

(I) THE TOTAL FUNDS APPROPRIATED FOR PAYMENTS UNDER THIS
SUBPARAGRAPH SHALL BE DIVIDED BY THE NUMBER OF PAYMENTS, AS
DETERMINED BY THE DEPARTMENT.

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

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

(C) THE FOLLOWING SHALL APPLY:

STATE FUNDS AVAILABLE FOR THE NONPUBLIC NURSING FACILITY MEDICAL
ASSISTANCE DAY-ONE INCENTIVE PAYMENTS SHALL EQUAL EIGHT MILLION
DOLLARS ($8,000,000).

(II) FOR FISCAL YEARS 2019-2020, THE STATE FUNDS AVAILABLE
FOR THE NONPUBLIC NURSING FACILITY MEDICAL ASSISTANCE DAY-ONE
INCENTIVE PAYMENTS SHALL EQUAL SIXTEEN MILLION DOLLARS
($16,000,000).
SECTION 5. THE DEFINITIONS OF "ASSESSMENT," "GENERAL ACUTE
CARE HOSPITAL," "HIGH VOLUME MEDICAID HOSPITAL," "HOSPITAL" AND
"NET OPERATING REVENUE" IN SECTION 801-E OF THE ACT ARE AMENDED
TO READ:

SECTION 801-E. DEFINITIONS.

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

"ASSESSMENT." THE FEE AUTHORIZED TO BE IMPLEMENTED UNDER
THIS ARTICLE [ON EVERY GENERAL ACUTE CARE HOSPITAL WITHIN A
MUNICIPALITY].

"GENERAL ACUTE CARE HOSPITAL." A HOSPITAL OTHER THAN A
HOSPITAL THAT THE [SECRETARY OF HUMAN SERVICES] SECRETARY HAS
DETERMINED MEETS ONE OF THE FOLLOWING:

(1) IS EXCLUDED UNDER 42 CFR 412.23(A), (B), (D), (E) AND
(F) (RELATING TO EXCLUDED HOSPITALS: CLASSIFICATIONS) AS OF
MARCH 20, 2008, FROM REIMBURSEMENT OF CERTAIN FEDERAL FUNDS
UNDER THE PROSPECTIVE PAYMENT SYSTEM DESCRIBED BY 42 CFR 412
(RELATING TO PROSPECTIVE PAYMENT SYSTEMS FOR INPATIENT HOSPITAL
SERVICES).

(2) IS A FEDERAL VETERANS' AFFAIRS HOSPITAL.

(3) IS A HIGH VOLUME MEDICAID HOSPITAL.

(4) PROVIDES CARE, INCLUDING INPATIENT HOSPITAL SERVICES, TO
ALL PATIENTS FREE OF CHARGE.

(5) IS A FREE-STANDING ACUTE CARE HOSPITAL ORGANIZED
PRIMARILY FOR THE TREATMENT OF AND RESEARCH ON CANCER AND WHICH
IS AN EXEMPT HOSPITAL UNDER SECTION 801-G.

"HIGH VOLUME MEDICAID HOSPITAL." A HOSPITAL THAT THE
SECRETARY OF HUMAN SERVICES HAS DETERMINED MEETS ALL OF THE FOLLOWING:

(1) IS A NONPROFIT HOSPITAL SUBSIDIARY OF A STATE-RELATED INSTITUTION AS THAT TERM IS DEFINED IN 62 PA.C.S. § 103 (RELATING TO DEFINITIONS); AND


"HOSPITAL." A FACILITY OR THE SITE OF A FACILITY THAT IS LICENSED AS A HOSPITAL UNDER 28 PA. CODE PT. IV SUBPT. B (RELATING TO GENERAL AND SPECIAL HOSPITALS) AND LOCATED WITHIN A MUNICIPALITY.

* * *

"NET [OPERATING] PATIENT REVENUE." GROSS [CHARGES FOR FACILITIES] REVENUES RECEIVED OR EARNED BY A HOSPITAL FOR INPATIENT AND OUTPATIENT HOSPITAL SERVICES, INCLUDING MEDICAL ASSISTANCE SUPPLEMENTAL REVENUES RECEIVED BY THE HOSPITAL FOR INPATIENT AND OUTPATIENT HOSPITAL SERVICES, LESS ANY DEDUCTED AMOUNTS FOR BAD DEBT EXPENSE, CHARITY CARE EXPENSE AND CONTRACTUAL ALLOWANCES AS IDENTIFIED IN THE HOSPITAL'S RECORDS OR ON FORMS AS SPECIFIED BY THE DEPARTMENT.

* * *

SECTION 6. SECTION 802-E(A), (A.1) AND (B) OF THE ACT ARE AMENDED AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

SECTION 802-E. AUTHORIZATION.

(A) GENERAL RULE.--IN ORDER TO GENERATE ADDITIONAL REVENUES FOR THE PURPOSE OF ASSURING THAT MEDICAL ASSISTANCE RECIPIENTS
HAVE ACCESS TO HOSPITAL AND OTHER HEALTH CARE SERVICES [AND THAT
ALL CITIZENS HAVE ACCESS TO EMERGENCY DEPARTMENT SERVICES], AND
SUBJECT TO THE CONDITIONS AND REQUIREMENTS SPECIFIED UNDER THIS
ARTICLE, A MUNICIPALITY MAY, BY ORDINANCE, [DO] IMPOSE AN
ASSESSMENT ON THE FOLLOWING:

(1) [IMPOSE A MONETARY ASSESSMENT ON THE NET OPERATING
REVENUE REDUCED BY ALL REVENUES RECEIVED FROM MEDICARE OF
EACH GENERAL ACUTE CARE HOSPITAL LOCATED IN THE
MUNICIPALITY.] EACH GENERAL ACUTE CARE HOSPITAL.

(2) [BEGINNING ON OR AFTER JULY 1, 2009, AND SUBJECT TO
THE ADVANCE WRITTEN APPROVAL BY THE SECRETARY, IMPOSE A
MONETARY ASSESSMENT ON THE NET OPERATING REVENUES REDUCED BY
ALL REVENUES RECEIVED FROM MEDICARE OF EACH HIGH VOLUME
MEDICAID HOSPITAL LOCATED IN THE MUNICIPALITY.] EACH HIGH
VOLUME MEDICAID HOSPITAL.

(A.1) ASSESSMENT IMPOSED BY ORDINANCE.--A MUNICIPALITY
SHALL, BY ORDINANCE, ESTABLISH THE ASSESSMENT IMPOSED UNDER
SUBSECTION (A)(1) AND (2) AS A PERCENTAGE OF EACH HOSPITAL'S NET
PATIENT REVENUE REDUCED BY ALL REVENUES RECEIVED FROM MEDICARE
FOR THE YEAR AS THE MUNICIPALITY SHALL SPECIFY, AND MAY
ESTABLISH DIFFERENT ASSESSMENT PERCENTAGES UNDER SUBSECTION (A)
(1) OR (2).

(A.2) ADJUSTMENTS TO ASSESSMENT PERCENTAGE.--
(1) FOR STATE FISCAL YEARS BEGINNING AFTER JUNE 30,
2013, AND SUBJECT TO THE ADVANCE WRITTEN APPROVAL OF THE
SECRETARY AS PRESCRIBED BY THE DEPARTMENT, THE MUNICIPALITY
MAY MAKE A UNIFORM ADJUSTMENT TO AN ASSESSMENT PERCENTAGE
ESTABLISHED BY ORDINANCE UNDER SUBSECTION (A).

(2) AFTER RECEIVING WRITTEN APPROVAL UNDER PARAGRAPH (1)
AND BEFORE IMPLEMENTING AN ADJUSTMENT, THE MUNICIPALITY SHALL
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PROVIDE ADVANCE PUBLIC NOTICE. THE NOTICE SHALL SPECIFY THE PROPOSED ADJUSTED ASSESSMENT PERCENTAGE AND IDENTIFY THE AGGREGATE IMPACT ON HOSPITALS [LOCATED IN THE MUNICIPALITY] SUBJECT TO AN ASSESSMENT. AN INTERESTED PARTY SHALL HAVE 30 DAYS IN WHICH TO SUBMIT COMMENTS TO THE MUNICIPALITY. UPON EXPIRATION OF THE 30-DAY COMMENT PERIOD, THE MUNICIPALITY, AFTER CONSIDERATION OF THE COMMENTS, SHALL PUBLISH A SUBSEQUENT NOTICE ANNOUNCING THE ADJUSTED ASSESSMENT PERCENTAGE.

(B) ADMINISTRATIVE PROVISIONS.--THE ORDINANCES ADOPTED PURSUANT TO [SUBSECTION] SUBSECTIONS (A), (A.1) AND (A.2) MAY INCLUDE APPROPRIATE ADMINISTRATIVE PROVISIONS INCLUDING, WITHOUT LIMITATION, PROVISIONS FOR THE COLLECTION OF INTEREST AND PENALTIES[.] AND PROVISIONS FOR THE CALCULATION AND IMPOSITION OF THE ASSESSMENT ON A HOSPITAL SUBJECT TO AN ASSESSMENT WHICH, DURING A FISCAL YEAR IN WHICH AN ASSESSMENT IS IMPOSED UNDER THIS ARTICLE, CHANGES OWNERSHIP OR CONTROL, BEGINS OPERATIONS, CLOSES OR EXPERIENCES ANY OTHER CHANGE THAT AFFECTS ITS STATUS AS A GENERAL ACUTE CARE HOSPITAL OR HIGH VOLUME MEDICAID HOSPITAL.

* * *

SECTION 7. SECTIONS 804-E, 805-E, 807-E AND 808-E OF THE ACT ARE AMENDED TO READ:

SECTION 804-E. ADMINISTRATION.

(A) REMITTANCE.--UPON COLLECTION OF THE FUNDS GENERATED BY THE ASSESSMENT AUTHORIZED UNDER THIS ARTICLE, THE MUNICIPALITY SHALL REMIT A PORTION OF THE FUNDS TO THE COMMONWEALTH FOR THE PURPOSES SET FORTH UNDER SECTION 802-E, EXCEPT THAT THE MUNICIPALITY MAY RETAIN FUNDS IN AN AMOUNT NECESSARY TO REIMBURSE IT FOR ITS REASONABLE COSTS IN THE ADMINISTRATION AND
COLLECTION OF THE ASSESSMENT AND TO FUND A PORTION OF ITS COSTS
OF OPERATING PUBLIC HEALTH CLINICS AND PUBLIC HEALTH PROGRAMS AS
SET FORTH IN AN AGREEMENT TO BE ENTERED INTO BETWEEN THE
MUNICIPALITY AND THE COMMONWEALTH ACTING THROUGH THE SECRETARY.

(B) ESTABLISHMENT.--THERE IS ESTABLISHED A RESTRICTED
ACCOUNT IN THE GENERAL FUND FOR THE RECEIPT AND DEPOSIT OF FUNDS
UNDER SUBSECTION (A). FUNDS IN THE ACCOUNT [ARE HEREBY
APPROPRIATED TO] SHALL BE USED BY THE DEPARTMENT FOR EITHER OR
BOTH OF THE FOLLOWING PURPOSES [OF MAKING]:

(1) MAKING SUPPLEMENTAL OR INCREASED MEDICAL ASSISTANCE
PAYMENTS FOR [EMERGENCY DEPARTMENT] HOSPITAL SERVICES TO
[GENERAL ACUTE CARE] HOSPITALS [WITHIN THE MUNICIPALITY] AND TO
MAINTAIN OR INCREASE OTHER MEDICAL ASSISTANCE PAYMENTS TO
HOSPITALS [WITHIN THE MUNICIPALITY], AS SPECIFIED IN THE
COMMONWEALTH'S APPROVED TITLE XIX STATE PLAN.

(2) MAKING ADJUSTED CAPITATION PAYMENTS TO MEDICAL
ASSISTANCE MANAGED CARE ORGANIZATIONS FOR ADDITIONAL PAYMENTS
FOR HEALTH CARE SERVICES WITHIN THE MUNICIPALITY.

SECTION 805-E. NO HOLD HARMLESS.

NO [GENERAL ACUTE CARE HOSPITAL OR HIGH VOLUME MEDICAID]
HOSPITAL SUBJECT TO THE ASSESSMENT SHALL BE DIRECTLY GUARANTEED
A REPAYMENT OF ITS ASSESSMENT IN DEROGATION OF 42 CFR 433.68(F)
(RELATING TO PERMISSIBLE HEALTH CARE-RELATED TAXES), EXCEPT
THAT, IN EACH FISCAL YEAR IN WHICH AN ASSESSMENT IS IMPLEMENTED,
THE DEPARTMENT SHALL USE A PORTION OF THE FUNDS RECEIVED UNDER
SECTION 804-E(A) FOR THE PURPOSES OUTLINED UNDER SECTION 804-
E(B) TO THE EXTENT PERMISSIBLE UNDER FEDERAL AND STATE LAW OR
REGULATION AND WITHOUT CREATING AN INDIRECT GUARANTEE TO HOLD
HARMLESS, AS THOSE TERMS ARE USED UNDER 42 CFR 433.68(F)(I). THE
SECRETARY SHALL SUBMIT ANY [STATE MEDICAID PLAN] TITLE XIX STATE
AMENDMENTS TO THE UNITED STATES DEPARTMENT OF HEALTH AND 
HUMAN SERVICES THAT ARE NECESSARY TO MAKE THE PAYMENTS 
AUTHORIZED UNDER SECTION 804-E(B).

SECTION 807-E. TAX EXEMPTION.

NOTWITHSTANDING ANY EXEMPTIONS GRANTED BY ANY OTHER FEDERAL, 
STATE OR LOCAL TAX OR OTHER LAW, INCLUDING SECTION 204(A)(3) OF 
THE ACT OF MAY 22, 1933 (P.L.853, NO.155), KNOWN AS THE GENERAL 
COUNTY ASSESSMENT LAW, NO [GENERAL ACUTE CARE HOSPITAL OR HIGH 
VOLUME MEDICAID] HOSPITAL [IN THE MUNICIPALITY] SUBJECT TO THE 
ASSESSMENT SHALL BE EXEMPT FROM THE ASSESSMENT.

SECTION 808-E. TIME PERIOD.

(A) CESSATION.--THE ASSESSMENT AUTHORIZED UNDER THIS ARTICLE 

(B) ASSESSMENT.--

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

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

SECTION 8. THE DEFINITIONS OF "NET INPATIENT REVENUE" AND 
"NET OUTPATIENT REVENUE" IN SECTION 801-G OF THE ACT, AMENDED OR 
ADDED JUNE 22, 2018 (P.L.258, NO.40), ARE AMENDED TO READ:

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

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

REVENUES RECEIVED OR EARNED BY A HOSPITAL FOR INPATIENT SERVICES, INCLUDING MEDICAL ASSISTANCE SUPPLEMENTAL REVENUES RECEIVED BY THE HOSPITAL FOR INPATIENT HOSPITAL SERVICES, LESS ANY DEDUCTED AMOUNTS FOR BAD DEBT EXPENSE, CHARITY CARE EXPENSE AND CONTRACTUAL ALLOWANCES AS IDENTIFIED IN THE HOSPITAL'S RECORDS AND REPORTED ON FORMS SPECIFIED BY THE DEPARTMENT FOR:

1. [AS IDENTIFIED IN THE HOSPITAL'S RECORDS FOR] THE STATE FISCAL YEAR COMMENCING JULY 1, 2014, OR SUCH LATER STATE FISCAL YEAR, AS MAY BE SPECIFIED BY THE DEPARTMENT FOR USE IN DETERMINING AN ANNUAL ASSESSMENT AMOUNT OWED ON OR AFTER JULY 1, 2018; OR

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

"NET OUTPATIENT REVENUE." GROSS [CHARGES FOR FACILITIES FOR OUTPATIENT SERVICES LESS ANY DEDUCTED AMOUNTS FOR BAD DEBT EXPENSE, CHARITY CARE EXPENSE AND CONTRACTUAL ALLOWANCES AS REPORTED ON FORMS SPECIFIED BY THE DEPARTMENT AND:] REVENUES RECEIVED OR EARNED BY A HOSPITAL FOR OUTPATIENT SERVICES, INCLUDING MEDICAL ASSISTANCE SUPPLEMENTAL REVENUES RECEIVED BY THE HOSPITAL FOR OUTPATIENT HOSPITAL SERVICES, LESS ANY DEDUCTED AMOUNTS FOR BAD DEBT EXPENSE, CHARITY CARE EXPENSE AND CONTRACTUAL ALLOWANCES AS IDENTIFIED IN THE HOSPITAL'S RECORDS AND REPORTED ON FORMS SPECIFIED BY THE DEPARTMENT FOR:

1. [AS IDENTIFIED IN THE HOSPITAL'S RECORDS FOR] THE STATE FISCAL YEAR COMMENCING JULY 1, 2014, OR A LATER STATE FISCAL YEAR, AS MAY BE SPECIFIED BY THE DEPARTMENT FOR USE IN
DETERMINING AN ANNUAL ASSESSMENT AMOUNT OWED ON OR AFTER JULY 1, 2018; OR

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

* * *

SECTION 9. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:


(2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT JULY 1, 2019, OR IMMEDIATELY, WHICHEVER IS LATER.