

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE BILL

No. 1351 Session of  
2023

INTRODUCED BY FRANKEL, VENKAT, SANCHEZ, MADDEN, CAUSER, McNEILL,  
KHAN, STRUZZI, D. WILLIAMS, DALEY, OTTEN, FRITZ, GREEN AND  
KENYATTA, JUNE 7, 2023

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 17, 2023

## AN ACT

1 ~~Amending the act of November 27, 2019 (P.L.742, No.108),~~ <--  
2 ~~entitled "An act establishing the Pennsylvania Rural Health~~  
3 ~~Redesign Center Authority and the Pennsylvania Rural Health~~  
4 ~~Redesign Center Fund," in Pennsylvania Rural Health Redesign~~  
5 ~~Center Authority, further providing for Pennsylvania Rural~~  
6 ~~Health Redesign Center Authority; and, in Pennsylvania Rural~~  
7 ~~Health Redesign Center Fund, further providing for money in~~  
8 ~~fund.~~

9 AMENDING THE ACT OF JUNE 13, 1967 (P.L.31, NO.21), ENTITLED "AN <--  
10 ACT TO CONSOLIDATE, EDITORIALY REVISE, AND CODIFY THE PUBLIC  
11 WELFARE LAWS OF THE COMMONWEALTH," IN PUBLIC ASSISTANCE,  
12 FURTHER PROVIDING FOR MEDICAL ASSISTANCE PAYMENTS FOR  
13 INSTITUTIONAL CARE AND PROVIDING FOR EMERGENCY TRANSPORTATION  
14 SERVICES AND FOR CASE-MIX RATES FOR NURSING FACILITIES; IN  
15 STATEWIDE QUALITY CARE ASSESSMENT, FURTHER PROVIDING FOR  
16 DEFINITIONS, FOR IMPLEMENTATION, FOR ADMINISTRATION, FOR  
17 RESTRICTED ACCOUNT AND FOR EXPIRATION; CONTINUING THE  
18 PENNSYLVANIA RURAL HEALTH REDESIGN CENTER AUTHORITY AND THE  
19 PENNSYLVANIA RURAL HEALTH REDESIGN CENTER FUND; AND MAKING A  
20 REPEAL.

21 The General Assembly of the Commonwealth of Pennsylvania

22 hereby enacts as follows:

23 ~~Section 1. Sections 302(c) and 902 of the act of November~~ <--  
24 ~~27, 2019 (P.L.742, No.108), known as the Pennsylvania Rural~~  
25 ~~Health Redesign Center Authority Act, are amended to read:~~  
26 ~~Section 302. Pennsylvania Rural Health Redesign Center~~

1 Authority.

2 \* \* \*

3 ~~(c) Terms. The following shall apply to terms of the~~  
4 ~~members of the board [shall be as follows]:~~

5 ~~(1) The terms of the members specified under subsection~~  
6 ~~(b)(1), (2) and (3) shall be concurrent with their holding of~~  
7 ~~public office.~~

8 ~~(2) The board members specified in subsection (b)(4),~~  
9 ~~(5) [, (6), (7) and (8)] and (6) shall serve for a term of~~  
10 ~~[four] three years and shall not be eligible to serve more~~  
11 ~~than two full consecutive [four year] three year terms. [If a~~  
12 ~~member leaves the board prior to completing a four year term~~  
13 ~~due to change in professional status, including, but not~~  
14 ~~limited to, retirement, changing jobs, failure to qualify or~~  
15 ~~similar reasons, a new member shall be appointed or selected~~  
16 ~~within 60 days of the seat becoming vacant.]~~

17 ~~(3) A board member specified in subsection (b)(7) shall~~  
18 ~~serve for a term of two years and shall not be eligible to~~  
19 ~~serve more than two full consecutive two year terms.~~

20 ~~(4) A board member specified in subsection (b)(8) shall~~  
21 ~~serve for a term of four years and shall not be eligible to~~  
22 ~~serve more than two full consecutive four year terms.~~

23 ~~(5) If a member of the board leaves prior to completing~~  
24 ~~a term due to change in professional status, including, but~~  
25 ~~not limited to, retirement, changing jobs, failure to qualify~~  
26 ~~or other reason, a new member shall be appointed or selected~~  
27 ~~within 60 days of the seat becoming vacant.~~

28 \* \* \*

29 Section 902. Money in fund.

30 ~~The General Assembly may appropriate money to carry out the~~

~~1 provisions of this act. All money deposited into the fund shall  
2 be held for the purposes of the authority and may not be  
3 considered a part of the General Fund but shall be used only to  
4 effectuate the purposes of this act as determined by the  
5 authority. All interest earned from the investment or deposit of  
6 money accumulated in the fund shall be deposited in the fund for  
7 the same use. Any money returned to the authority by any party  
8 shall be deposited into the fund.~~

9 ~~Section 2. This act shall take effect in 60 days.~~

10 SECTION 1. SECTION 443.1(1.1)(I) OF THE ACT OF JUNE 13, 1967 <--  
11 (P.L.31, NO.21), KNOWN AS THE HUMAN SERVICES CODE, IS AMENDED TO  
12 READ:

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

17 \* \* \*

18 (1.1) SUBJECT TO SECTION 813-G, FOR INPATIENT HOSPITAL  
19 SERVICES PROVIDED DURING A FISCAL YEAR IN WHICH AN ASSESSMENT IS  
20 IMPOSED UNDER ARTICLE VIII-G, PAYMENTS UNDER THE MEDICAL  
21 ASSISTANCE FEE-FOR-SERVICE PROGRAM SHALL BE DETERMINED IN  
22 ACCORDANCE WITH THE DEPARTMENT'S REGULATIONS, EXCEPT AS FOLLOWS:

23 (I) IF THE COMMONWEALTH'S APPROVED TITLE XIX STATE PLAN FOR  
24 INPATIENT HOSPITAL SERVICES IN EFFECT FOR THE PERIOD OF JULY 1,  
25 2010, THROUGH JUNE 30, [2023] 2028, SPECIFIES A METHODOLOGY FOR  
26 CALCULATING PAYMENTS THAT IS DIFFERENT FROM THE DEPARTMENT'S  
27 REGULATIONS OR AUTHORIZES ADDITIONAL PAYMENTS NOT SPECIFIED IN  
28 THE DEPARTMENT'S REGULATIONS, SUCH AS INPATIENT DISPROPORTIONATE  
29 SHARE PAYMENTS AND DIRECT MEDICAL EDUCATION PAYMENTS, THE  
30 DEPARTMENT SHALL FOLLOW THE METHODOLOGY OR MAKE THE ADDITIONAL

1 PAYMENTS AS SPECIFIED IN THE APPROVED TITLE XIX STATE PLAN.

2 \* \* \*

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

4 SECTION 443.13. EMERGENCY TRANSPORTATION SERVICES.--SUBJECT  
5 TO FEDERAL APPROVAL AS MAY BE NECESSARY AND CONTINGENT ON  
6 FEDERAL FINANCIAL PARTICIPATION, FROM MONEY APPROPRIATED FOR THE  
7 DEPARTMENT UNDER THE ACT OF AUGUST 3, 2023 (P.L. , NO.1A),  
8 KNOWN AS THE GENERAL APPROPRIATION ACT OF 2023, SUFFICIENT FUNDS  
9 SHALL BE INCLUDED TO PROVIDE REIMBURSEMENT FOR GROUND MILEAGE  
10 FOR EVERY LOADED MILE AND TO PROVIDE THE GREATER OF THE HIGHEST <--  
11 MEDICARE RATES PUBLISHED IN THE AMBULANCE FEE SCHEDULE PUBLIC  
12 USE FILE FOR CALENDAR YEAR 2023 OR THE CURRENT MEDICAID  
13 AMBULANCE FEES AS UPDATED BY MEDICAL ASSISTANCE BULLETIN 26-22-  
14 07 EFFECTIVE DATE JANUARY 1, 2023, BEGINNING JANUARY 1, 2024,  
15 FOR SERVICES PROVIDED UNDER THE MEDICAL ASSISTANCE - FEE-FOR-  
16 SERVICE, MEDICAL ASSISTANCE - CAPITATION AND MEDICAL ASSISTANCE  
17 - COMMUNITY HEALTHCHOICES APPROPRIATIONS IN THE GENERAL  
18 APPROPRIATION ACT OF 2023.

19 SECTION 454.1. CASE-MIX RATES FOR NURSING FACILITIES.--(A)  
20 FROM MONEY APPROPRIATED FOR MEDICAL ASSISTANCE LONG-TERM LIVING  
21 UNDER THE ACT OF AUGUST 3, 2023 (P.L. , NO.1A), KNOWN AS THE  
22 GENERAL APPROPRIATION ACT OF 2023, FOR FISCAL YEAR 2023-2024,  
23 THE DEPARTMENT SHALL CALCULATE EACH NURSING FACILITY'S CASE-MIX  
24 RATE BASED ON THE COST DATABASE AND PEER GROUP PRICES FOR EACH  
25 NET OPERATING COST CENTER USED IN THE CALCULATION OF EACH  
26 NURSING FACILITY'S CASE-MIX FOR FISCAL YEAR 2022-2023. EACH  
27 NURSING FACILITY'S CASE-MIX RATE SHALL BE ADJUSTED QUARTERLY IN  
28 ACCORDANCE WITH 55 PA. CODE § 1187.96(A)(5) (RELATING TO PRICE-  
29 AND RATE-SETTING COMPUTATIONS).

30 (B) FROM MONEY APPROPRIATED FOR MEDICAL ASSISTANCE COMMUNITY

1 HEALTHCHOICES UNDER THE GENERAL APPROPRIATION ACT OF 2023, FOR  
2 FISCAL YEAR 2023-2024, THE DEPARTMENT SHALL CALCULATE EACH  
3 NURSING FACILITY'S CASE-MIX RATE BASED ON THE COST DATABASE AND  
4 PEER GROUP PRICES FOR EACH NET OPERATING COST CENTER USED IN THE  
5 CALCULATION OF EACH NURSING FACILITY'S CASE-MIX FOR FISCAL YEAR  
6 2022-2023. EACH NURSING FACILITY'S CASE-MIX RATE SHALL BE  
7 ADJUSTED QUARTERLY IN ACCORDANCE WITH 55 PA. CODE § 1187.96(A)  
8 (5).

9 SECTION 3. THE DEFINITIONS OF "NET INPATIENT REVENUE" AND  
10 "NET OUTPATIENT REVENUE" IN SECTION 801-G OF THE ACT ARE AMENDED  
11 TO READ:

12 SECTION 801-G. DEFINITIONS.

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

16 \* \* \*

17 "NET INPATIENT REVENUE." GROSS REVENUES RECEIVED OR EARNED  
18 BY A HOSPITAL FOR INPATIENT SERVICES, INCLUDING MEDICAL  
19 ASSISTANCE SUPPLEMENTAL REVENUES RECEIVED BY THE HOSPITAL FOR  
20 INPATIENT HOSPITAL SERVICES, LESS ANY DEDUCTED AMOUNTS FOR BAD  
21 DEBT EXPENSE, CHARITY CARE EXPENSE AND CONTRACTUAL ALLOWANCES AS  
22 IDENTIFIED IN THE HOSPITAL'S RECORDS AND REPORTED ON FORMS  
23 SPECIFIED BY THE DEPARTMENT. [FOR:

24 (1) THE STATE FISCAL YEAR COMMENCING JULY 1, 2014, OR  
25 SUCH LATER STATE FISCAL YEAR, AS MAY BE SPECIFIED BY THE  
26 DEPARTMENT FOR USE IN DETERMINING AN ANNUAL ASSESSMENT AMOUNT  
27 OWED ON OR AFTER JULY 1, 2018; OR

28 (2) THE MOST RECENT STATE FISCAL YEAR, OR PART THEREOF,  
29 IF AMOUNTS ARE NOT AVAILABLE UNDER PARAGRAPH (1).]

30 "NET OUTPATIENT REVENUE." GROSS REVENUES RECEIVED OR EARNED

1 BY A HOSPITAL FOR OUTPATIENT SERVICES, INCLUDING MEDICAL  
2 ASSISTANCE SUPPLEMENTAL REVENUES RECEIVED BY THE HOSPITAL FOR  
3 OUTPATIENT HOSPITAL SERVICES, LESS ANY DEDUCTED AMOUNTS FOR BAD  
4 DEBT EXPENSE, CHARITY CARE EXPENSE AND CONTRACTUAL ALLOWANCES AS  
5 IDENTIFIED IN THE HOSPITAL'S RECORDS AND REPORTED ON FORMS  
6 SPECIFIED BY THE DEPARTMENT. [FOR:

7 (1) THE STATE FISCAL YEAR COMMENCING JULY 1, 2014, OR A  
8 LATER STATE FISCAL YEAR, AS MAY BE SPECIFIED BY THE  
9 DEPARTMENT FOR USE IN DETERMINING AN ANNUAL ASSESSMENT AMOUNT  
10 OWED ON OR AFTER JULY 1, 2018; OR

11 (2) THE MOST RECENT STATE FISCAL YEAR, OR PART THEREOF,  
12 IF AMOUNTS ARE NOT AVAILABLE UNDER PARAGRAPH (1).]

13 \* \* \*

14 SECTION 4. SECTION 803-G(B) (4) AND (5) AND (C.2) OF THE ACT  
15 ARE AMENDED, SUBSECTION (B) IS AMENDED BY ADDING PARAGRAPHS AND  
16 THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:  
17 SECTION 803-G. IMPLEMENTATION.

18 \* \* \*

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

21 \* \* \*

22 (4) FOR FISCAL YEAR 2018-2019, AN AMOUNT EQUAL TO 2.98%  
23 OF THE NET INPATIENT REVENUE OF THE COVERED HOSPITAL AND  
24 1.55% OF THE NET OUTPATIENT REVENUE OF THE COVERED HOSPITAL;  
25 [AND]

26 (5) FOR FISCAL YEARS 2019-2020, 2020-2021, 2021-2022 AND  
27 2022-2023, AN AMOUNT EQUAL TO 3.32% OF THE NET INPATIENT  
28 REVENUE OF THE COVERED HOSPITAL AND 1.73% OF THE NET  
29 OUTPATIENT REVENUE OF THE COVERED HOSPITAL[.];

30 (6) FOR FISCAL YEAR 2023-2024, AN AMOUNT EQUAL TO 3.54%

1 OF THE NET INPATIENT REVENUE OF THE COVERED HOSPITAL AND  
2 1.78% OF THE NET OUTPATIENT REVENUE OF THE COVERED HOSPITAL;  
3 AND  
4 (7) FOR FISCAL YEARS 2024-2025, 2025-2026, 2026-2027 AND  
5 2027-2028, AN AMOUNT EQUAL TO 4.36% OF THE NET INPATIENT  
6 REVENUE OF THE COVERED HOSPITAL AND 2.20% OF THE NET  
7 OUTPATIENT REVENUE OF THE COVERED HOSPITAL.

8 \* \* \*

9 (C.2) REBASING NET INPATIENT AND NET OUTPATIENT REVENUE  
10 AMOUNTS ON AMOUNTS OWED FOR FISCAL YEARS PRIOR TO 2023-2024.--  
11 FOR PURPOSES OF CALCULATING THE ANNUAL ASSESSMENT AMOUNT OWED  
12 [ON OR AFTER JULY 1, 2018,] FOR FISCAL YEARS 2018-2019, 2019-  
13 2020, 2020-2021, 2021-2022 AND 2022-2023, THE SECRETARY MAY  
14 REQUIRE THE USE OF NET INPATIENT REVENUE AND NET OUTPATIENT  
15 REVENUE AMOUNTS AS IDENTIFIED IN THE RECORDS OF COVERED  
16 HOSPITALS FOR A STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1,  
17 2015. IF THE SECRETARY DECIDES THAT THE NET INPATIENT AND NET  
18 OUTPATIENT REVENUE AMOUNTS SHOULD BE BASED ON A STATE FISCAL  
19 YEAR COMMENCING ON OR AFTER JULY 1, 2015, THE SECRETARY SHALL  
20 TRANSMIT A NOTICE TO THE LEGISLATIVE REFERENCE BUREAU FOR  
21 PUBLICATION IN THE PENNSYLVANIA BULLETIN SPECIFYING THE STATE  
22 FISCAL YEAR FOR WHICH THE NET INPATIENT AND NET OUTPATIENT  
23 REVENUE AMOUNTS WILL BE USED AT LEAST 30 DAYS PRIOR TO THE DATE  
24 ON WHICH AN ASSESSMENT AMOUNT CALCULATED WITH THE REBASED  
25 AMOUNTS IS DUE TO BE PAID TO THE DEPARTMENT.

26 (C.3) REBASING NET INPATIENT REVENUE AND NET OUTPATIENT  
27 REVENUE AMOUNTS ON AMOUNTS OWED FOR FISCAL YEAR 2023-2024 AND  
28 THEREAFTER.--FOR PURPOSES OF CALCULATING THE ANNUAL ASSESSMENT  
29 AMOUNT OWED ON OR AFTER JULY 1, 2023, THE SECRETARY MAY REQUIRE  
30 THE USE OF NET INPATIENT REVENUE AND NET OUTPATIENT REVENUE

1 AMOUNTS AS IDENTIFIED IN THE RECORDS OF COVERED HOSPITALS FOR A  
2 STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2018. IF THE  
3 SECRETARY DECIDES THAT THE NET INPATIENT AND NET OUTPATIENT  
4 REVENUE AMOUNTS SHOULD BE BASED ON A STATE FISCAL YEAR  
5 COMMENCING ON OR AFTER JULY 1, 2019, THE SECRETARY SHALL  
6 TRANSMIT A NOTICE TO THE LEGISLATIVE REFERENCE BUREAU FOR  
7 PUBLICATION IN THE NEXT AVAILABLE ISSUE OF THE PENNSYLVANIA  
8 BULLETIN SPECIFYING THE STATE FISCAL YEAR FOR WHICH THE NET  
9 INPATIENT REVENUE AND NET OUTPATIENT REVENUE AMOUNTS WILL BE  
10 USED AT LEAST 30 DAYS PRIOR TO THE DATE ON WHICH AN ASSESSMENT  
11 AMOUNT CALCULATED WITH THE REBASED AMOUNTS IS DUE TO BE PAID TO  
12 THE DEPARTMENT.

13 \* \* \*

14 SECTION 5. SECTION 804-G(A), (A.1) AND (A.3) OF THE ACT ARE  
15 AMENDED TO READ:

16 SECTION 804-G. ADMINISTRATION.

17 (A) CALCULATION AND NOTICE OF ASSESSMENT AMOUNT.--USING THE  
18 ASSESSMENT PERCENTAGE ESTABLISHED UNDER SECTION 803-G AND  
19 COVERED HOSPITALS' [NET INPATIENT REVENUE FOR FISCAL YEARS  
20 COMMENCING PRIOR TO JULY 1, 2018, OR COVERED HOSPITALS' NET  
21 INPATIENT REVENUE AND NET OUTPATIENT REVENUE FOR FISCAL YEARS  
22 COMMENCING ON OR AFTER JULY 1, 2018] NET INPATIENT REVENUE AND  
23 NET OUTPATIENT REVENUE, THE DEPARTMENT SHALL CALCULATE AND  
24 NOTIFY EACH COVERED HOSPITAL OF THE ASSESSMENT AMOUNT OWED FOR  
25 THE FISCAL YEAR. NOTIFICATION PURSUANT TO THIS SUBSECTION MAY BE  
26 MADE IN WRITING OR ELECTRONICALLY AT THE DISCRETION OF THE  
27 DEPARTMENT.

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

29 (1) IF A SINGLE COVERED HOSPITAL CHANGES OWNERSHIP OR  
30 CONTROL, THE DEPARTMENT WILL [CONTINUE TO CALCULATE THE



1 ASSESSMENT AMOUNT USING] CALCULATE THE ASSESSMENT AS FOLLOWS:

2 (I) [THE HOSPITAL'S NET INPATIENT REVENUE FOR STATE  
3 FISCAL YEAR 2010-2011 IF THE CHANGE OF OWNERSHIP OCCURS  
4 BEFORE JULY 1, 2018;] IF THE CHANGE OF OWNERSHIP OCCURS  
5 BEFORE JULY 1, 2018, THE DEPARTMENT SHALL CALCULATE THE  
6 ASSESSMENT USING THE HOSPITAL'S NET INPATIENT REVENUE AND  
7 NET OUTPATIENT REVENUE AMOUNTS FOR STATE FISCAL YEAR  
8 2018-2019, OR A LATER FISCAL YEAR THAT HAS BEEN SPECIFIED  
9 BY THE SECRETARY IN ACCORDANCE WITH SECTION 803-G(C.3);

10 (II) IF THE CHANGE OF OWNERSHIP OCCURS ON OR AFTER  
11 JULY 1, 2018, THE DEPARTMENT SHALL CALCULATE THE  
12 ASSESSMENT USING THE HOSPITAL'S NET INPATIENT REVENUE AND  
13 NET OUTPATIENT REVENUE AMOUNTS FOR STATE FISCAL YEAR  
14 [2014-2015] 2018-2019, OR A LATER FISCAL YEAR THAT HAS  
15 BEEN SPECIFIED BY THE SECRETARY [FOR USE IN DETERMINING  
16 THE ASSESSMENT AMOUNTS DUE FOR THE FISCAL YEAR IN WHICH  
17 THE CHANGE OCCURS, IF THE CHANGE OF OWNERSHIP OCCURS ON  
18 OR AFTER JULY 1, 2018] IN ACCORDANCE WITH SECTION 803-  
19 G(C.3); OR

20 (III) [THE HOSPITAL'S NET INPATIENT REVENUE AND NET  
21 OUTPATIENT REVENUE AMOUNTS FOR THE MOST RECENT STATE  
22 FISCAL YEAR, OR PART THEREOF, IF THE NET INPATIENT  
23 REVENUE AND NET OUTPATIENT REVENUE AMOUNTS SPECIFIED IN  
24 SUBPARAGRAPH (II) IS NOT AVAILABLE.] IF THE NET INPATIENT  
25 REVENUE AND NET OUTPATIENT REVENUE AMOUNTS FOR THE STATE  
26 FISCAL YEAR 2018-2019, OR A LATER FISCAL YEAR THAT HAS  
27 BEEN SPECIFIED BY THE SECRETARY IN ACCORDANCE WITH  
28 SECTION 803-G(C.3), ARE UNAVAILABLE DUE TO A COVERED  
29 HOSPITAL'S ESTABLISHMENT AS A NEW HOSPITAL UNDER  
30 SUBSECTION (A.3), THE DEPARTMENT WILL CALCULATE THE

1 ASSESSMENT USING THE HOSPITAL'S NET INPATIENT REVENUE AND  
2 NET OUTPATIENT REVENUE AMOUNTS UNDER SUBSECTION (A.3).

3 (1.1) THE COVERED HOSPITAL IS LIABLE FOR ANY OUTSTANDING  
4 ASSESSMENT AMOUNTS, INCLUDING OUTSTANDING AMOUNTS RELATED TO  
5 PERIODS PRIOR TO THE CHANGE OF OWNERSHIP OR CONTROL.

6 (2) IF TWO OR MORE HOSPITALS MERGE OR CONSOLIDATE INTO A  
7 SINGLE COVERED HOSPITAL AS A RESULT OF A CHANGE IN OWNERSHIP  
8 OR CONTROL, THE DEPARTMENT WILL CALCULATE THE ASSESSMENT  
9 AMOUNT OWED BY THE SINGLE COVERED HOSPITAL RESULTING FROM THE  
10 MERGER OR CONSOLIDATION [USING] AS FOLLOWS:

11 (I) [THE MERGED OR CONSOLIDATED HOSPITALS' COMBINED  
12 NET INPATIENT REVENUE FOR STATE FISCAL YEAR 2010-2011 IF  
13 THE MERGER OR CONSOLIDATION OCCURS BEFORE JULY 1, 2018;]  
14 IF THE MERGER OR CONSOLIDATION OCCURS BEFORE JULY 1,  
15 2018, THE DEPARTMENT SHALL CALCULATE THE ASSESSMENT USING  
16 THE MERGED OR CONSOLIDATED HOSPITALS' COMBINED NET  
17 INPATIENT REVENUE AND NET OUTPATIENT REVENUE AMOUNTS FOR  
18 STATE FISCAL YEAR 2018-2019, OR A LATER FISCAL YEAR THAT  
19 HAS BEEN SPECIFIED BY THE SECRETARY IN ACCORDANCE WITH  
20 SECTION 803-G(C.3);

21 (II) IF THE MERGER OR CONSOLIDATION OCCURS ON OR  
22 AFTER JULY 1, 2018, THE DEPARTMENT SHALL CALCULATE THE  
23 ASSESSMENT USING THE MERGED OR CONSOLIDATED HOSPITALS'  
24 COMBINED NET INPATIENT REVENUE AND NET OUTPATIENT REVENUE  
25 AMOUNTS FOR STATE FISCAL YEAR [2014-2015] 2018-2019 OR A  
26 LATER FISCAL YEAR THAT HAS BEEN SPECIFIED BY THE  
27 SECRETARY [FOR USE IN DETERMINING THE ASSESSMENT AMOUNTS  
28 DUE FOR THE FISCAL YEAR IN WHICH THE MERGER OR  
29 CONSOLIDATION OCCURS, IF THE MERGER OR CONSOLIDATION  
30 OCCURS ON OR AFTER JULY 1, 2018] IN ACCORDANCE WITH

1           SECTION 803-G(C.3); OR

2           (III) [THE HOSPITAL'S NET INPATIENT REVENUE AND NET  
3           OUTPATIENT REVENUE AMOUNTS FOR THE MOST RECENT STATE  
4           FISCAL YEAR, OR PART THEREOF, IF THE NET INPATIENT  
5           REVENUE AND NET OUTPATIENT REVENUE AMOUNTS SPECIFIED IN  
6           SUBPARAGRAPH (II) IS NOT AVAILABLE, FOR ANY COVERED  
7           HOSPITALS THAT WERE MERGED OR CONSOLIDATED INTO THE  
8           SINGLE COVERED HOSPITAL.] IF ONE OR MORE HOSPITAL'S NET  
9           INPATIENT REVENUE AND NET OUTPATIENT REVENUE AMOUNTS FOR  
10           THE STATE FISCAL YEAR 2018-2019, OR A LATER FISCAL YEAR  
11           THAT HAS BEEN SPECIFIED BY THE SECRETARY IN ACCORDANCE  
12           WITH SECTION 803-G(C.3), IS UNAVAILABLE DUE TO THE  
13           HOSPITAL'S ESTABLISHMENT AS A NEW HOSPITAL UNDER  
14           SUBSECTION (A.3), THE FOLLOWING APPLY:

15                   (A) THE DEPARTMENT SHALL CALCULATE THE  
16                   ASSESSMENT USING THE NEW HOSPITAL'S NET INPATIENT  
17                   REVENUE AND NET OUTPATIENT REVENUE AMOUNTS UNDER  
18                   SUBSECTION (A.3).

19                   (B) FOR A HOSPITAL THAT IS NOT A NEW HOSPITAL,  
20                   THE DEPARTMENT SHALL CALCULATE THE HOSPITAL'S NET  
21                   INPATIENT REVENUE AND NET OUTPATIENT REVENUE AMOUNTS  
22                   FOR STATE FISCAL YEAR 2018-2019, OR A LATER FISCAL  
23                   YEAR THAT HAS BEEN SPECIFIED BY THE SECRETARY IN  
24                   ACCORDANCE WITH SECTION 803-G(C.3).

25                   (C) THE DEPARTMENT SHALL COMBINE THE AMOUNT  
26                   CALCULATED UNDER CLAUSE (A) WITH THE AMOUNT  
27                   CALCULATED UNDER CLAUSE (B) TO DETERMINE THE COMBINED  
28                   NET INPATIENT REVENUE AND NET OUTPATIENT REVENUE  
29                   AMOUNTS FOR THE MERGED OR CONSOLIDATED HOSPITALS.

30           (3) THE SINGLE COVERED HOSPITAL IS LIABLE FOR ANY

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

5 \* \* \*

6 (A.3) CALCULATION OF ASSESSMENT FOR NEW HOSPITALS.--A  
7 HOSPITAL THAT BEGINS OPERATION AS A COVERED HOSPITAL [DURING A  
8 FISCAL YEAR IN WHICH AN ASSESSMENT IS IN EFFECT] AFTER JULY 1,  
9 2018, SHALL BE ASSESSED AS FOLLOWS:

10 (1) DURING THE STATE FISCAL YEAR IN WHICH A COVERED  
11 HOSPITAL BEGINS OPERATION OR IN WHICH A HOSPITAL BECOMES A  
12 COVERED HOSPITAL, THE COVERED HOSPITAL IS NOT SUBJECT TO THE  
13 ASSESSMENT.

14 (2) FOR THE STATE FISCAL YEAR FOLLOWING THE STATE FISCAL  
15 YEAR UNDER PARAGRAPH (1), THE DEPARTMENT SHALL CALCULATE THE  
16 HOSPITAL'S ASSESSMENT AMOUNT USING[:

17 (I) THE NET INPATIENT REVENUE FROM THE STATE FISCAL  
18 YEAR IN WHICH THE COVERED HOSPITAL BEGAN OPERATION OR  
19 BECAME A COVERED HOSPITAL IF THE COVERED HOSPITAL BEGAN  
20 OPERATION OR BECAME A COVERED HOSPITAL PRIOR TO JULY 1,  
21 2018; OR

22 (II) USING THE NET INPATIENT REVENUE AND NET  
23 OUTPATIENT REVENUE FROM THE STATE FISCAL YEAR IN WHICH  
24 THE COVERED HOSPITAL BEGAN OPERATION OR BECAME A COVERED  
25 HOSPITAL IF THE COVERED HOSPITAL BEGAN OPERATION OR  
26 BECAME A COVERED HOSPITAL ON OR AFTER JULY 1, 2018.] THE  
27 NET INPATIENT REVENUE AND NET OUTPATIENT REVENUE FROM THE  
28 STATE FISCAL YEAR IN WHICH THE COVERED HOSPITAL BEGAN  
29 OPERATION OR BECAME A COVERED HOSPITAL THROUGH THE END OF  
30 THE STATE FISCAL YEAR.

1 (3) [FOR THE STATE FISCAL YEARS FOLLOWING THE FIRST FULL  
2 STATE FISCAL YEAR UNDER PARAGRAPH (2) BUT ENDING PRIOR TO  
3 JULY 1, 2018, THE DEPARTMENT SHALL CALCULATE THE HOSPITAL'S  
4 ASSESSMENT AMOUNT USING THE NET INPATIENT REVENUE FROM THE  
5 PRIOR STATE FISCAL YEAR.] FOR THE STATE FISCAL [YEARS] YEAR  
6 FOLLOWING THE FIRST FULL STATE FISCAL YEAR UNDER PARAGRAPH  
7 (2) [COMMENCING ON OR AFTER JULY 1, 2018], THE DEPARTMENT  
8 SHALL CALCULATE THE HOSPITAL'S ASSESSMENT AMOUNT USING THE  
9 NET INPATIENT AND NET OUTPATIENT REVENUE FROM THE PRIOR STATE  
10 FISCAL YEAR. FOR SUBSEQUENT STATE FISCAL YEARS, THE  
11 DEPARTMENT SHALL USE THE NET INPATIENT REVENUE AND NET  
12 OUTPATIENT REVENUE CALCULATED UNDER THIS PARAGRAPH, OR A  
13 LATER FISCAL YEAR THAT HAS BEEN SPECIFIED BY THE SECRETARY IN  
14 ACCORDANCE WITH SECTION 803-G(C.3).

15 (4) IF ESTIMATED NET INPATIENT REVENUE AND NET  
16 OUTPATIENT REVENUE IS USED IN CALCULATING A COVERED  
17 HOSPITAL'S ASSESSMENT UNDER THIS SUBSECTION, THE DEPARTMENT  
18 SHALL RECONCILE ANY AMOUNTS RECEIVED BASED ON REPORTED ACTUAL  
19 NET INPATIENT REVENUES AND NET OUTPATIENT REVENUES.

20 \* \* \*

21 SECTION 6. SECTION 805-G(A) (2) AND (B) (5) OF THE ACT ARE  
22 AMENDED AND SUBSECTION (B) IS AMENDED BY ADDING PARAGRAPHS TO  
23 READ:

24 SECTION 805-G. RESTRICTED ACCOUNT.

25 (A) ESTABLISHMENT.--THERE IS ESTABLISHED A RESTRICTED  
26 ACCOUNT, KNOWN AS THE QUALITY CARE ASSESSMENT ACCOUNT, IN THE  
27 GENERAL FUND FOR THE RECEIPT AND DEPOSIT OF REVENUES COLLECTED  
28 UNDER THIS ARTICLE. FUNDS IN THE ACCOUNT ARE APPROPRIATED TO THE  
29 DEPARTMENT FOR THE FOLLOWING:

30 \* \* \*

1 (2) MAKING [ADJUSTED CAPITATION] PAYMENTS TO MEDICAL  
2 ASSISTANCE MANAGED CARE ORGANIZATIONS FOR ADDITIONAL PAYMENTS  
3 FOR INPATIENT HOSPITAL SERVICES IN ACCORDANCE WITH SECTION  
4 443.1(1.2), (1.3) AND (1.4) AND OUTPATIENT SERVICES.

5 \* \* \*

6 (B) LIMITATIONS.--

7 \* \* \*

8 (4.5) FOR STATE FISCAL YEAR 2023-2024, THE AMOUNT USED  
9 FOR THE MEDICAL ASSISTANCE PAYMENT FOR HOSPITALS AND MEDICAL  
10 ASSISTANCE MANAGED CARE ORGANIZATIONS MAY NOT EXCEED THE  
11 AGGREGATE AMOUNT OF THE ASSESSMENT FUNDS COLLECTED FOR THE  
12 YEAR LESS \$368,000,000.

13 (4.6) FOR STATE FISCAL YEARS 2024-2025, 2025-2026, 2026-  
14 2027 AND 2027-2028, THE AMOUNT USED FOR THE MEDICAL  
15 ASSISTANCE PAYMENT FOR HOSPITALS AND MEDICAL ASSISTANCE  
16 MANAGED CARE ORGANIZATIONS MAY NOT EXCEED THE AGGREGATE  
17 AMOUNT OF THE ASSESSMENT FUNDS COLLECTED FOR THE YEAR LESS  
18 \$452,000,000.

19 (5) THE AMOUNTS RETAINED BY THE DEPARTMENT PURSUANT TO  
20 PARAGRAPHS (1), (2), (4), (4.1), (4.2), (4.3) [AND], (4.4),  
21 (4.5) AND (4.6) AND ANY ADDITIONAL AMOUNTS REMAINING IN THE  
22 RESTRICTED ACCOUNTS AFTER THE PAYMENTS DESCRIBED IN  
23 SUBSECTION (A) (1) AND (2) ARE MADE SHALL BE USED FOR PURPOSES  
24 APPROVED BY THE SECRETARY UNDER SUBSECTION (A) (3), SUBJECT TO  
25 PARAGRAPH (7).

26 \* \* \*

27 SECTION 7. SECTION 815-G OF THE ACT IS AMENDED TO READ:  
28 SECTION 815-G. EXPIRATION.

29 THE ASSESSMENT UNDER THIS ARTICLE SHALL EXPIRE JUNE 30,  
30 [2023] 2028.

1 SECTION 8. THE ACT IS AMENDED BY ADDING AN ARTICLE TO READ:

2 ARTICLE XIV-D

3 PENNSYLVANIA RURAL HEALTH REDESIGN

4 CENTER AUTHORITY

5 SUBARTICLE A

6 PRELIMINARY PROVISIONS

7 SECTION 1401-D. SCOPE OF ARTICLE.

8 THIS ARTICLE RELATES TO THE PENNSYLVANIA RURAL HEALTH  
9 REDESIGN CENTER AUTHORITY.

10 SECTION 1402-D. PURPOSE.

11 IT IS THE PURPOSE OF THIS ARTICLE TO PROTECT AND PROMOTE  
12 ACCESS BY THE RESIDENTS OF THIS COMMONWEALTH TO HIGH-QUALITY  
13 HEALTH CARE IN RURAL COMMUNITIES BY ENCOURAGING INNOVATION IN  
14 HEALTH CARE DELIVERY.

15 SECTION 1403-D. DEFINITIONS.

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

19 "ACUTE CARE HOSPITAL." A FACILITY THAT PROVIDES INPATIENT  
20 AND OUTPATIENT SERVICES, WHICH MAY INCLUDE AN EMERGENCY  
21 DEPARTMENT OR INTENSIVE CARE UNIT.

22 "AUTHORITY." THE PENNSYLVANIA RURAL HEALTH REDESIGN CENTER  
23 AUTHORITY CONTINUED IN SECTION 1411-D.

24 "BOARD." THE GOVERNING BODY OF THE AUTHORITY.

25 "CONFLICT OF INTEREST." A SITUATION IN WHICH A BOARD MEMBER:

26 (1) HAS AN INTEREST IN ONE OR MORE PARTIES INVOLVED IN  
27 AN ACTION UNDER SECTION 1412-D.

28 (2) MAY GAIN ACCESS TO COMPETITIVELY SENSITIVE OR  
29 STRATEGICALLY RELEVANT INFORMATION ABOUT A PARTICIPATING  
30 PAYER OR PARTICIPANT RURAL HOSPITAL.

1 "CRITICAL ACCESS HOSPITAL." AS DEFINED IN 42 U.S.C. §  
2 1395X(MM) (1) (RELATING TO DEFINITIONS).

3 "ELIGIBLE HOSPITAL SERVICES." ALL INPATIENT AND HOSPITAL-  
4 BASED OUTPATIENT ITEMS AND SERVICES. THE TERM SHALL EXCLUDE ALL  
5 OTHER ITEMS AND SERVICES, INCLUDING THE FOLLOWING:

6 (1) POSTACUTE CARE.

7 (2) PROFESSIONAL SERVICES.

8 (3) DURABLE MEDICAL EQUIPMENT.

9 (4) DENTAL SERVICES.

10 (5) NONINPATIENT OR NON-HOSPITAL-BASED OUTPATIENT  
11 BEHAVIORAL HEALTH SERVICES.

12 (6) LONG-TERM CARE SERVICES, EXCEPT FOR SWING BED  
13 SERVICES FOR CRITICAL ACCESS HOSPITALS.

14 "FUND." THE PENNSYLVANIA RURAL HEALTH REDESIGN CENTER FUND  
15 CONTINUED IN SECTION 1441-D.

16 "GLOBAL BUDGET." THE PROSPECTIVELY SET ANNUAL BUDGET THAT IS  
17 THE BASIS FOR PAYMENT FOR EACH PARTICIPANT RURAL HOSPITAL FOR  
18 ELIGIBLE HOSPITAL SERVICES BY PARTICIPATING PAYERS.

19 "GLOBAL BUDGET MODEL." AN INNOVATIVE PAYMENT AND SERVICE  
20 DELIVERY MODEL THAT IS INTENDED TO REDUCE HEALTH CARE COSTS  
21 WHILE MAINTAINING ACCESS TO CARE, IMPROVING THE QUALITY OF CARE  
22 IN RURAL COUNTIES AND MEETING THE HEALTH NEEDS OF PARTICIPANT  
23 RURAL HOSPITALS' LOCAL COMMUNITIES, AND UNDER WHICH  
24 PARTICIPATING PAYERS PAY PARTICIPANT RURAL HOSPITALS USING A  
25 GLOBAL BUDGET METHODOLOGY ESTABLISHED BY THE AUTHORITY.

26 "GOVERNMENT PROGRAM." A HEALTH BENEFIT PLAN OFFERED OR  
27 ADMINISTERED BY OR ON BEHALF OF THE UNITED STATES OR THE  
28 COMMONWEALTH OR AN AGENCY OR INSTRUMENTALITY OF EITHER,  
29 INCLUDING:

30 (1) THE MEDICAL ASSISTANCE PROGRAM.



1           (2) THE CHILDREN'S HEALTH INSURANCE PROGRAM ESTABLISHED  
2 UNDER ARTICLE XXIII-A OF THE ACT OF MAY 17, 1921 (P.L.682,  
3 NO.284), KNOWN AS THE INSURANCE COMPANY LAW OF 1921.

4           (3) A HEALTH BENEFIT PLAN OFFERED OR ADMINISTERED BY OR  
5 ON BEHALF OF THE COMMONWEALTH OR AN AGENCY OR INSTRUMENTALITY  
6 OF THE COMMONWEALTH.

7           (4) HEALTH CARE BENEFITS ADMINISTERED UNDER 10 U.S.C.  
8 (RELATING TO ARMED FORCES) OR 38 U.S.C. (RELATING TO  
9 VETERANS' BENEFITS).

10           (5) THE MEDICARE PROGRAM ESTABLISHED UNDER 42 U.S.C. CH.  
11 7 SUBCH. XVIII (RELATING TO HEALTH INSURANCE FOR AGED AND  
12 DISABLED).

13           "INSURER." A PERSON, CORPORATION OR OTHER ENTITY LICENSED BY  
14 THE COMMONWEALTH WITH AUTHORITY TO OFFER, ISSUE OR RENEW AN  
15 INSURANCE POLICY, SUBSCRIBER CONTRACT OR CERTIFICATE PROVIDING  
16 HEALTH CARE COVERAGE, INCLUDING:

17           (1) AN INSURANCE COMPANY, ASSOCIATION OR EXCHANGE  
18 GOVERNED BY THE INSURANCE COMPANY LAW OF 1921, INCLUDING  
19 SECTION 630 AND ARTICLE XXIV OF THE INSURANCE COMPANY LAW OF  
20 1921.

21           (2) A HOSPITAL PLAN CORPORATION AS DEFINED IN 40 PA.C.S.  
22 CH. 61 (RELATING TO HOSPITAL PLAN CORPORATIONS).

23           (3) A PROFESSIONAL HEALTH SERVICE CORPORATION AS DEFINED  
24 IN 40 PA.C.S. CH. 63 (RELATING TO PROFESSIONAL HEALTH  
25 SERVICES PLAN CORPORATIONS).

26           (4) A HEALTH MAINTENANCE ORGANIZATION GOVERNED BY THE  
27 ACT OF DECEMBER 29, 1972 (P.L.1701, NO.364), KNOWN AS THE  
28 HEALTH MAINTENANCE ORGANIZATION ACT.

29           "MEDICAID MANAGED CARE ORGANIZATION." AN ENTITY AS DEFINED  
30 IN 42 U.S.C. § 1396B(M) (1) (A) (RELATING TO PAYMENT TO STATES)

1 THAT IS A PARTY TO AN AGREEMENT WITH THE DEPARTMENT, INCLUDING A  
2 COUNTY MEDICAID MANAGED CARE ORGANIZATION AND A PERMITTED  
3 ASSIGNEE OF AN AGREEMENT. THE TERM DOES NOT INCLUDE AN ASSIGNOR  
4 OF AN AGREEMENT.

5 "PARTICIPANT RURAL HOSPITAL." A RURAL HOSPITAL THAT HAS BEEN  
6 SELECTED AND SIGNS AN AGREEMENT TO PARTICIPATE IN THE GLOBAL  
7 BUDGET MODEL.

8 "PARTICIPATING PAYER." A PAYER THAT OPERATES IN RURAL  
9 COUNTIES AND, WITH RESPECT TO ONE OR MORE SPECIFIED PRODUCTS,  
10 PROGRAMS OR PAYMENT ARRANGEMENTS, SIGNS AN AGREEMENT WITH THE  
11 AUTHORITY TO PARTICIPATE IN THE GLOBAL BUDGET MODEL.

12 "PAYER." AN INSURER, GOVERNMENT PROGRAM OR MEDICAID MANAGED  
13 CARE ORGANIZATION THAT PAYS OR ADMINISTERS PAYMENT FOR HEALTH  
14 CARE SERVICES UNDER AN INSURANCE POLICY, SUBSCRIBER CONTRACT,  
15 CERTIFICATE, ADMINISTRATIVE SERVICES ARRANGEMENT OR OTHER  
16 PAYMENT ARRANGEMENT.

17 "RURAL COUNTY." A COUNTY WITHIN THIS COMMONWEALTH WHERE THE  
18 POPULATION DENSITY IS LESS THAN 284 PERSONS PER SQUARE MILE AS  
19 DEFINED BY THE CENTER FOR RURAL PENNSYLVANIA, ESTABLISHED UNDER  
20 SECTION 301 OF THE ACT OF JUNE 30, 1987 (P.L.163, NO.16), KNOWN  
21 AS THE RURAL PENNSYLVANIA REVITALIZATION ACT.

22 "RURAL HOSPITAL." AN ACUTE CARE HOSPITAL OR CRITICAL ACCESS  
23 HOSPITAL LOCATED IN A RURAL COUNTY.

24 "RURAL HOSPITAL TRANSFORMATION PLAN." A DESCRIPTION OF THE  
25 HEALTH CARE DELIVERY SYSTEM TRANSFORMATION THAT A PARTICIPANT  
26 RURAL HOSPITAL WILL UNDERGO UNDER THE GLOBAL BUDGET MODEL, AS  
27 APPROVED BY THE BOARD AND THE FEDERAL GOVERNMENT.

28 "SWING BED." A HOSPITAL BED THAT HAS BEEN APPROVED BY THE  
29 MEDICARE PROGRAM ESTABLISHED UNDER UNDER 42 U.S.C. CH. 7 SUBCH.  
30 XVIII TO PROVIDE POSTHOSPITAL SKILLED NURSING FACILITY CARE WHEN

1 THE RURAL HOSPITAL PARTICIPATES IN THE MEDICARE PROGRAM.

2 SUBARTICLE B

3 PENNSYLVANIA RURAL HEALTH REDESIGN

4 CENTER AUTHORITY

5 SECTION 1411-D. PENNSYLVANIA RURAL HEALTH REDESIGN CENTER  
6 AUTHORITY.

7 (A) CONTINUATION.--THE PENNSYLVANIA RURAL HEALTH REDESIGN  
8 CENTER AUTHORITY IS CONTINUED AS A BODY CORPORATE AND POLITIC  
9 CONSTITUTING A PUBLIC CORPORATION AND GOVERNMENT  
10 INSTRUMENTALITY. THE POWERS AND DUTIES OF THE AUTHORITY SHALL BE  
11 VESTED IN AND EXERCISED BY THE BOARD, WHICH SHALL HAVE THE SOLE  
12 POWER TO EMPLOY STAFF, INCLUDING AN EXECUTIVE DIRECTOR, LEGAL  
13 COUNSEL, CONSULTANTS OR ANY OTHER STAFF DEEMED NECESSARY BY THE  
14 BOARD TO EFFECTUATE THE PURPOSES OF THIS ARTICLE. INDIVIDUALS  
15 EMPLOYED BY THE BOARD SHALL NOT BE EMPLOYEES OF THE COMMONWEALTH  
16 FOR ANY PURPOSE, INCLUDING FOR PURPOSES OF COMPENSATION, PENSION  
17 BENEFITS OR RETIREMENT.

18 (B) COMPOSITION.--THE BOARD SHALL CONSIST OF THE FOLLOWING  
19 MEMBERS:

20 (1) THE SECRETARY OF HEALTH OR A DESIGNEE, WHO SHALL BE  
21 AN EMPLOYEE OF THE DEPARTMENT OF HEALTH DESIGNATED IN WRITING  
22 PRIOR TO SERVICE.

23 (2) THE SECRETARY OR A DESIGNEE, WHO SHALL BE AN  
24 EMPLOYEE OF THE DEPARTMENT DESIGNATED IN WRITING PRIOR TO  
25 SERVICE.

26 (3) THE INSURANCE COMMISSIONER OR A DESIGNEE, WHO SHALL  
27 BE AN EMPLOYEE OF THE INSURANCE DEPARTMENT DESIGNATED IN  
28 WRITING PRIOR TO SERVICE.

29 (4) ONE MEMBER SELECTED BY EACH PARTICIPATING PAYER THAT  
30 IS AN INSURER ON BEHALF OF THE PARTICIPATING PAYER AND THE

1 PARTICIPATING PAYER'S PARENTS, AFFILIATES, SUBSIDIARIES,  
2 OTHER ASSOCIATED ENTITIES AND SUCCESSORS. THE SELECTION UNDER  
3 THIS PARAGRAPH SHALL EXCLUDE ANY AFFILIATED, SUBSIDIARY OR  
4 OTHERWISE ASSOCIATED MEDICAID MANAGED CARE ORGANIZATION.

5 (5) ONE MEMBER SELECTED BY EACH PARTICIPATING PAYER THAT  
6 IS A MEDICAID MANAGED CARE ORGANIZATION.

7 (6) ONE MEMBER SELECTED BY THE ORGANIZATION REPRESENTING  
8 HOSPITALS AND HEALTH SYSTEMS IN THIS COMMONWEALTH. THIS  
9 MEMBER SHALL BE CONSIDERED A PARTICIPANT RURAL HOSPITAL  
10 MEMBER ON THE BOARD.

11 (7) PARTICIPANT RURAL HOSPITAL MEMBERS, THE NUMBER OF  
12 WHICH SHALL NOT EXCEED THE NUMBER OF PARTICIPATING PAYER  
13 MEMBERS. THE PARTICIPANT RURAL HOSPITAL MEMBERS SHALL  
14 REPRESENT THE PARTICIPANT RURAL HOSPITALS AND SHALL BE  
15 SELECTED FROM DIFFERENT, GEOGRAPHICALLY DIVERSE PARTICIPANT  
16 RURAL HOSPITALS AND APPOINTED AS FOLLOWS:

17 (I) THE PRESIDENT PRO TEMPORE OF THE SENATE, THE  
18 MINORITY LEADER OF THE SENATE, THE SPEAKER OF THE HOUSE  
19 OF REPRESENTATIVES AND THE MINORITY LEADER OF THE HOUSE  
20 OF THE REPRESENTATIVES SHALL EACH APPOINT ONE MEMBER.

21 (II) THE GOVERNOR SHALL APPOINT THE REMAINING  
22 MEMBERS.

23 (8) TWO MEMBERS APPOINTED BY THE GOVERNOR WHO ARE  
24 NATIONALLY RECOGNIZED EXPERTS IN RURAL HEALTH CARE DELIVERY  
25 OR IN DEVELOPING AND ADMINISTERING GLOBAL BUDGETS.

26 (C) TERMS.--THE FOLLOWING SHALL APPLY TO TERMS OF THE  
27 MEMBERS OF THE BOARD:

28 (1) THE TERMS OF THE MEMBERS SPECIFIED UNDER SUBSECTION  
29 (B) (1), (2) AND (3) SHALL BE CONCURRENT WITH THEIR HOLDING OF  
30 PUBLIC OFFICE.

1           (2) THE BOARD MEMBERS SPECIFIED IN SUBSECTION (B) (4),  
2           (5) AND (6) SHALL SERVE FOR A TERM OF THREE YEARS AND SHALL  
3           NOT BE ELIGIBLE TO SERVE MORE THAN TWO FULL CONSECUTIVE  
4           THREE-YEAR TERMS.

5           (3) A BOARD MEMBER SPECIFIED IN SUBSECTION (B) (7) SHALL  
6           SERVE FOR A TERM OF TWO YEARS AND SHALL NOT BE ELIGIBLE TO  
7           SERVE MORE THAN TWO FULL CONSECUTIVE TWO-YEAR TERMS.

8           (4) A BOARD MEMBER SPECIFIED IN SUBSECTION (B) (8) SHALL  
9           SERVE FOR A TERM OF FOUR YEARS AND SHALL NOT BE ELIGIBLE TO  
10           SERVE MORE THAN TWO FULL CONSECUTIVE FOUR-YEAR TERMS.

11           (5) IF A MEMBER OF THE BOARD LEAVES PRIOR TO COMPLETING  
12           A TERM DUE TO CHANGE IN PROFESSIONAL STATUS, INCLUDING, BUT  
13           NOT LIMITED TO, RETIREMENT, CHANGING JOBS, FAILURE TO QUALIFY  
14           OR OTHER REASON, A NEW MEMBER SHALL BE APPOINTED OR SELECTED  
15           WITHIN 60 DAYS OF THE SEAT BECOMING VACANT.

16           (D) QUORUM.--A MAJORITY OF THE MEMBERS OF THE BOARD SHALL  
17           CONSTITUTE A QUORUM. ACTION MAY BE TAKEN BY THE BOARD AT A  
18           MEETING UPON A VOTE OF A MAJORITY OF ITS MEMBERS PRESENT IN  
19           PERSON OR THROUGH ELECTRONIC MEANS. IF A TIE VOTE OCCURS AT ANY  
20           MEETING, IT SHALL BE THE DUTY OF THE CHAIRPERSON TO CAST THE  
21           DECIDING VOTE.

22           (E) MEETINGS.--THE BOARD SHALL MEET AT THE CALL OF THE  
23           CHAIRPERSON OR AS MAY BE PROVIDED IN THE BYLAWS OF THE BOARD.  
24           THE BOARD SHALL HOLD MEETINGS AT LEAST QUARTERLY, WHICH SHALL BE  
25           SUBJECT TO THE REQUIREMENTS OF 65 PA.C.S. CH. 7 (RELATING TO  
26           OPEN MEETINGS).

27           (F) CHAIRPERSON.--THE GOVERNOR SHALL APPOINT A CHAIRPERSON  
28           FROM AMONG THE BOARD MEMBERS.

29           (G) FORMATION.--THE BOARD SHALL BE FORMED WITHIN 90 DAYS OF  
30           THE EFFECTIVE DATE OF THIS SECTION.

1 (H) CONFLICT OF INTEREST.--BOARD MEMBERS SHALL RECUSE  
2 THEMSELVES FROM DISCUSSIONS AND ACTIONS WHERE A CONFLICT OF  
3 INTEREST MAY EXIST. BOARD MEMBERS MAY NOT RECEIVE CONFIDENTIAL  
4 INFORMATION, DATA OR MATERIAL RELATED TO AN ENTITY WHERE A  
5 CONFLICT OF INTEREST MAY EXIST.

6 (I) COMPENSATION AND EXPENSES.--MEMBERS OF THE BOARD SHALL  
7 NOT RECEIVE A SALARY OR PER DIEM ALLOWANCE FOR SERVING AS  
8 MEMBERS OF THE BOARD BUT SHALL BE REIMBURSED FOR ACTUAL AND  
9 NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.  
10 REASONABLE EXPENSES MAY INCLUDE REIMBURSEMENT OF TRAVEL AND  
11 LIVING EXPENSES WHILE ENGAGED IN BOARD BUSINESS. THE EXPENSES  
12 SHALL BE PAID FOR BY THE FUND.

13 SECTION 1412-D. POWERS AND DUTIES.

14 (A) GENERAL RULE.--THE BOARD SHALL EXERCISE ALL POWERS  
15 NECESSARY AND APPROPRIATE TO CARRY OUT ITS DUTIES UNDER THIS  
16 ARTICLE, INCLUDING THE FOLLOWING:

17 (1) ADOPT BYLAWS NECESSARY TO CARRY OUT THE PROVISIONS  
18 OF THIS ARTICLE. THE BYLAWS SHALL INCLUDE A PROVISION  
19 ADDRESSING CONFLICTS OF INTEREST AS WELL AS A PROVISION THAT  
20 RESTRICTS BOARD DISCUSSIONS AND DECISIONS TO THE  
21 ADMINISTRATION OF THE GLOBAL BUDGET MODEL AS PROVIDED UNDER  
22 SUBSECTION (B).

23 (2) MAKE, EXECUTE AND DELIVER CONTRACTS, GRANTS AND  
24 OTHER INSTRUMENTS NECESSARY OR CONVENIENT TO EXERCISE THE  
25 POWERS AND DUTIES OF THE BOARD.

26 (3) APPLY FOR, SOLICIT, RECEIVE, ESTABLISH PRIORITIES  
27 FOR, ALLOCATE, DISBURSE, CONTRACT OR GRANT FOR, ADMINISTER  
28 AND EXPEND MONEY IN THE FUND AND OTHER MONEY MADE AVAILABLE  
29 TO THE AUTHORITY FROM ANY OTHER SOURCE CONSISTENT WITH THE  
30 PURPOSES OF THIS ARTICLE. THE AUTHORITY SHALL BE EXEMPT FROM

1 THE PROVISIONS OF 62 PA.C.S. PTS. I (RELATING TO COMMONWEALTH  
2 PROCUREMENT CODE) AND II (RELATING TO GENERAL PROCUREMENT  
3 PROVISIONS).

4 (4) APPLY FOR, ACCEPT AND ADMINISTER GRANTS AND LOANS TO  
5 CARRY OUT THE PURPOSES OF THE AUTHORITY.

6 (5) ACCEPT MONEY FROM BOTH PUBLIC AND PRIVATE SOURCES,  
7 CONSISTENT WITH FEDERAL AND STATE LAW.

8 (6) TAKE, HOLD, ADMINISTER, ASSIGN, LEND, ENCUMBER,  
9 MORTGAGE, INVEST OR OTHERWISE DISPOSE OF, AT PUBLIC OR  
10 PRIVATE SALE, ON BEHALF OF THE AUTHORITY AND FOR ANY OF THE  
11 AUTHORITY'S PURPOSES, REAL PROPERTY, PERSONAL PROPERTY AND  
12 MONEY OR ANY INTEREST THEREIN, INCLUDING ANY MORTGAGE OR LOAN  
13 INTEREST OWNED BY THE AUTHORITY OR UNDER ITS CONTROL OR IN  
14 ITS POSSESSION AND THE INCOME THEREFROM EITHER ABSOLUTELY OR  
15 IN TRUST. THE FOLLOWING APPLY:

16 (I) THE BOARD MAY ACQUIRE PROPERTY OR MONEY FOR THIS  
17 PURPOSE BY PURCHASE OR LEASE AND BY THE ACCEPTANCE OF  
18 GIFTS, GRANTS, BEQUESTS, DEVISES OR LOANS, BUT NO  
19 OBLIGATION OF THE AUTHORITY SHALL BE A DEBT OF THE  
20 COMMONWEALTH, AND THE AUTHORITY SHALL HAVE NO POWER TO  
21 PLEDGE THE CREDIT OR TAXING POWER OF THE COMMONWEALTH NOR  
22 TO MAKE ITS DEBTS PAYABLE OUT OF ANY MONEY EXCEPT THOSE  
23 OF THE CORPORATION. THIS SUBPARAGRAPH IS NOT INTENDED TO  
24 MEAN THAT THE BOARD MAY ACQUIRE RURAL HOSPITALS OR  
25 PARTICIPANT RURAL HOSPITALS.

26 (II) ALL ACCRUED AND FUTURE EARNINGS FROM MONEY  
27 INVESTED BY THE BOARD AND OTHER ACCRUED AND FUTURE  
28 NONAPPROPRIATED FUNDS, INCLUDING, BUT NOT LIMITED TO,  
29 FUNDS OBTAINED FROM THE FEDERAL GOVERNMENT AND  
30 CONTRIBUTIONS, SHALL BE AVAILABLE TO THE AUTHORITY AND

1 SHALL BE DEPOSITED IN THE STATE TREASURY AND MAY BE  
2 UTILIZED AT THE DISCRETION OF THE BOARD FOR CARRYING OUT  
3 ANY OF THE CORPORATE PURPOSES OF THE AUTHORITY. ANY  
4 PLACEMENT OF THE FUNDS BY THE STATE TREASURER IN  
5 DEPOSITORY OR INVESTMENTS SHALL BE CONSISTENT WITH  
6 GUIDELINES APPROVED BY THE BOARD. FOR THE PURPOSE OF  
7 ADMINISTRATION, THE AUTHORITY SHALL BE SUBJECT TO  
8 SECTIONS 610, 613 AND 614 OF THE ACT OF APRIL 9, 1929  
9 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE CODE OF  
10 1929.

11 (7) SEEK WAIVERS FROM STATE AGENCY REQUIREMENTS AS  
12 NECESSARY TO CARRY OUT THE PURPOSES OF THIS ARTICLE.

13 (8) COORDINATE WITH THE APPROPRIATE STATE AGENCY TO SEEK  
14 WAIVERS FROM FEDERAL REQUIREMENTS AS NECESSARY TO CARRY OUT  
15 THE PURPOSES OF THIS ARTICLE.

16 (9) ESTABLISH ADVISORY GROUPS WITH A DIVERSE MEMBERSHIP  
17 REPRESENTING INTERESTED AND AFFECTED GROUPS AND INDIVIDUALS  
18 AS THE BOARD FINDS NECESSARY TO CARRY OUT THE PURPOSES OF  
19 THIS ARTICLE.

20 (10) COLLABORATE WITH ALL APPLICABLE STATE AGENCIES FOR  
21 PURPOSES OF IMPLEMENTING THIS ARTICLE.

22 (11) PERFORM ALL OTHER ACTIVITIES NECESSARY TO FURTHER  
23 THE PURPOSES OF THIS ARTICLE.

24 (B) GLOBAL BUDGET MODEL.--THE BOARD IS RESPONSIBLE FOR  
25 ADMINISTERING THE GLOBAL BUDGET MODEL AND SHALL:

26 (1) EVALUATE AND SELECT RURAL HOSPITALS FOR  
27 PARTICIPATION IN THE GLOBAL BUDGET MODEL AS A PARTICIPANT  
28 RURAL HEALTH HOSPITAL ON THE BASIS OF DIVERSITY, VISION AND  
29 COMMITMENT TO HEALTH CARE DELIVERY TRANSFORMATION.

30 (2) PROVIDE TECHNICAL ASSISTANCE, TRAINING AND EDUCATION



1 TO RURAL HOSPITALS AND PARTICIPANT RURAL HOSPITALS.

2 (3) COLLECT AND MAINTAIN DATA FROM RURAL HOSPITALS AND  
3 PARTICIPANT RURAL HOSPITALS, PARTICIPATING PAYERS AND OTHERS  
4 AS NECESSARY TO CARRY OUT THE RESPONSIBILITIES OF THIS  
5 ARTICLE.

6 (4) PERFORM DATA ANALYSIS AND QUALITY ASSURANCE.

7 (5) CALCULATE, APPROVE AND ADMINISTER GLOBAL BUDGETS.  
8 THE GLOBAL BUDGETS MAY INCLUDE PAYMENTS FOR ELIGIBLE HOSPITAL  
9 SERVICES PROVIDED UNDER A PARTICIPANT RURAL HOSPITAL'S  
10 EMPLOYEE HEALTH PLAN.

11 (6) CONSISTENT WITH FEDERAL AND STATE LAW, REVIEW AND  
12 APPROVE RURAL HOSPITAL TRANSFORMATION PLANS, ADVISE AND  
13 APPROVE CHANGES TO OPERATIONAL AND PAYMENT MECHANISMS AND  
14 APPROVE EXCEPTIONS TO AGREED-UPON PAYMENT RULES THROUGH AN  
15 APPROVED PROCEDURE PROVIDED IN THE BOARD'S BYLAWS.

16 (7) ASSIST RURAL HOSPITALS AND PARTICIPANT RURAL  
17 HOSPITALS IN WORKING WITH COMMUNITY-BASED ORGANIZATIONS TO  
18 DETERMINE THE TARGETED POPULATION HEALTH IMPROVEMENT GOALS.

19 (8) EVALUATE THE PROGRESS OF THE IMPLEMENTATION OF EACH  
20 PARTICIPANT RURAL HOSPITAL'S GLOBAL BUDGET TOWARD POPULATION  
21 HEALTH IMPROVEMENT GOALS AND THE COST OF ACHIEVING HEALTH  
22 CARE GOALS.

23 (9) MONITOR GLOBAL BUDGETS AND QUALITY METRICS FOR  
24 PARTICIPANT RURAL HOSPITALS.

25 (10) PROVIDE AN ANNUAL ASSESSMENT OF EACH PARTICIPANT  
26 RURAL HOSPITAL'S COMPLIANCE WITH ITS RURAL HOSPITAL  
27 TRANSFORMATION PLAN AND GLOBAL BUDGET TARGETS.

28 (11) REQUIRE A PARTICIPANT RURAL HOSPITAL TO SUBMIT A  
29 CORRECTIVE ACTION PLAN FOR FAILURE TO SUBMIT A RURAL HOSPITAL  
30 TRANSFORMATION PLAN, COMPLY WITH ITS RURAL HOSPITAL

1 TRANSFORMATION PLAN OR MEET ITS GLOBAL BUDGET TARGETS.

2 (12) TERMINATE A PARTICIPANT RURAL HOSPITAL FROM THE  
3 GLOBAL BUDGET MODEL IN ACCORDANCE WITH THE PARTICIPANT RURAL  
4 HOSPITAL'S PARTICIPATION AGREEMENT.

5 (13) CONTRACT WITH AN INDEPENDENT EVALUATION GROUP TO  
6 PROVIDE THE BOARD AND EXECUTIVE DIRECTOR WITH AN EVALUATION  
7 OF THE GLOBAL BUDGET MODEL'S PROGRESS IN THE AREAS OF  
8 POPULATION HEALTH, QUALITY OF CARE AND COST TARGETS.

9 (14) REVIEW AND UPDATE THE DEFINITION OF "ELIGIBLE  
10 HOSPITAL SERVICES" BY TRANSMITTING A NOTICE TO THE  
11 LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION IN THE  
12 PENNSYLVANIA BULLETIN, SUBJECT TO OBTAINING ALL NECESSARY  
13 FEDERAL APPROVALS. THE BOARD SHALL USE DATA COLLECTED UNDER  
14 PARAGRAPH (3) IN ITS REVIEW.

15 (C) AUDIT.--

16 (1) THE ACCOUNTS AND BOOKS OF THE AUTHORITY SHALL BE  
17 EXAMINED AND AUDITED ANNUALLY BY AN INDEPENDENT CERTIFIED  
18 PUBLIC ACCOUNTING FIRM. THE AUDIT SHALL BE PUBLIC  
19 INFORMATION.

20 (2) THE AUTHORITY SHALL, BY DECEMBER 31 OF EACH YEAR,  
21 FILE A COPY OF THE AUDIT OF THE PRECEDING COMMONWEALTH FISCAL  
22 YEAR REQUIRED UNDER PARAGRAPH (1) WITH THE SECRETARY OF THE  
23 SENATE AND THE CHIEF CLERK OF THE HOUSE OF REPRESENTATIVES  
24 AND PROVIDE A COPY TO THE DEPARTMENT OF HEALTH.

25 (D) REPORTS.--THE AUTHORITY SHALL:

26 (1) ELECTRONICALLY SUBMIT AN ANNUAL REPORT ON THE  
27 PERFORMANCE AND COMPLIANCE OF EACH PARTICIPANT RURAL HOSPITAL  
28 TO THE DEPARTMENT OF HEALTH AND TO OTHER APPROPRIATE PARTIES,  
29 INCLUDING ASSOCIATIONS, FOUNDATIONS, ACADEMIC INSTITUTIONS  
30 AND COMMUNITY-BASED ORGANIZATIONS, AS DETERMINED BY THE

1 BOARD.

2 (2) ELECTRONICALLY SUBMIT AN ANNUAL REPORT TO THE  
3 GOVERNOR, THE PRESIDENT PRO TEMPORE OF THE SENATE AND THE  
4 SPEAKER OF THE HOUSE OF REPRESENTATIVES FOR DISTRIBUTION TO  
5 THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE AND THE  
6 HEALTH COMMITTEE OF THE HOUSE OF REPRESENTATIVES ON THE  
7 ACTIVITIES OF THE AUTHORITY FOR THE YEAR.

8 (3) COMPLY WITH APPLICABLE FEDERAL REPORTING  
9 REQUIREMENTS.

10 (E) PUBLICATION.--THE AUTHORITY SHALL ANNUALLY TRANSMIT A  
11 FINANCIAL STATEMENT AND THE AUTHORITY'S AUDIT AS A NOTICE TO THE  
12 LEGISLATIVE REFERENCE BUREAU FOR PUBLICATION IN THE NEXT  
13 AVAILABLE ISSUE OF THE PENNSYLVANIA BULLETIN.

14 SUBARTICLE C

15 PARTICIPATION IN GLOBAL BUDGET MODEL  
16 SECTION 1421-D. ROLES OF PARTICIPATING PAYERS.

17 (A) LETTER OF INTEREST.--A PAYER MAY SUBMIT A LETTER OF  
18 INTEREST TO THE AUTHORITY TO PARTICIPATE IN THE GLOBAL BUDGET  
19 MODEL.

20 (B) AGREEMENT TO PARTICIPATE.--AS A CONDITION OF  
21 PARTICIPATION, A PARTICIPATING PAYER SHALL SIGN AN AGREEMENT  
22 WITH THE AUTHORITY. THE AGREEMENT SHALL DETAIL THE TERMS AND  
23 CONDITIONS OF PARTICIPATION IN THE GLOBAL BUDGET MODEL.

24 (C) TERMINATION.--A PARTICIPATING PAYER MAY TERMINATE ITS  
25 PARTICIPATION WITH A PARTICIPANT RURAL HOSPITAL ACCORDING TO THE  
26 TERMS AND CONDITIONS OF THE AGREEMENT UNDER SUBSECTION (B).  
27 SECTION 1422-D. ROLES OF PARTICIPANT RURAL HOSPITALS.

28 (A) LETTER OF INTEREST.--A RURAL HOSPITAL MAY SUBMIT A  
29 LETTER OF INTEREST TO THE AUTHORITY TO PARTICIPATE IN THE GLOBAL  
30 BUDGET MODEL.

1 (B) CONDITION OF PARTICIPATION.--AS A CONDITION OF  
2 PARTICIPATION, THE FOLLOWING SHALL OCCUR:

3 (1) A RURAL HOSPITAL SHALL SUBMIT AN INITIAL RURAL  
4 HOSPITAL TRANSFORMATION PLAN IN THE MANNER AND FORM  
5 PRESCRIBED BY THE AUTHORITY FOR REVIEW AND APPROVAL.

6 (2) A PARTICIPANT RURAL HOSPITAL SHALL SIGN AN AGREEMENT  
7 WITH THE AUTHORITY. THE AGREEMENT SHALL DETAIL THE TERMS AND  
8 CONDITIONS OF PARTICIPATION IN THE GLOBAL BUDGET MODEL.

9 (3) A PARTICIPANT RURAL HOSPITAL SHALL SUBMIT ANNUAL  
10 UPDATES TO ITS RURAL HOSPITAL TRANSFORMATION PLAN IN THE  
11 MANNER AND FORM PRESCRIBED BY THE AUTHORITY FOR REVIEW AND  
12 APPROVAL.

13 SUBARTICLE D

14 DATA COLLECTION AND CONFIDENTIALITY

15 SECTION 1431-D. DATA COLLECTION AND RETENTION.

16 (A) AUTHORITY.--THE AUTHORITY MAY COLLECT AND ANALYZE DATA  
17 FROM PARTICIPATING PAYERS, RURAL HOSPITALS, PARTICIPANT RURAL  
18 HOSPITALS AND THE DEPARTMENT NECESSARY TO CARRY OUT THE  
19 AUTHORITY'S RESPONSIBILITIES UNDER THIS ARTICLE. DATA COLLECTED  
20 BY THE AUTHORITY SHALL ONLY BE USED FOR ADMINISTERING THE GLOBAL  
21 BUDGET MODEL. THE AUTHORITY SHALL OBTAIN THE WRITTEN APPROVAL OF  
22 A PARTICIPATING PAYER, RURAL HOSPITAL, PARTICIPANT RURAL  
23 HOSPITAL OR THE DEPARTMENT BEFORE THE AUTHORITY CAN USE THE  
24 ENTITY'S DATA FOR ANY OTHER PURPOSE. THE AUTHORITY SHALL RETAIN  
25 THE DATA FOR NO MORE THAN SEVEN YEARS.

26 (B) PARTICIPANT RURAL HOSPITAL.--A PARTICIPANT RURAL  
27 HOSPITAL MAY AUTHORIZE ITS INSURER OR ADMINISTRATOR TO PROVIDE  
28 DATA TO THE AUTHORITY REGARDING PAYMENTS FOR ELIGIBLE HOSPITAL  
29 SERVICES PROVIDED UNDER THE HOSPITAL'S EMPLOYEE HEALTH PLAN.

30 (C) RELEASE OF DATA.--UNLESS SPECIFICALLY PROVIDED FOR IN

1 THIS ARTICLE, THE AUTHORITY MAY NOT RELEASE AND NO DATA SOURCE,  
2 PERSON, MEMBER OF THE PUBLIC OR OTHER USER OF ANY DATA OF THE  
3 AUTHORITY MAY GAIN ACCESS TO:

4 (1) RAW DATA WHICH COULD REASONABLY BE EXPECTED TO  
5 REVEAL THE IDENTITY OF AN INDIVIDUAL PATIENT.

6 (2) RAW DATA DISCLOSING DISCOUNTS OR ALLOWANCES BETWEEN  
7 PARTICIPATING PAYERS AND PARTICIPANT RURAL HOSPITALS WHICH IS  
8 PREJUDICIAL TO AN INDIVIDUAL PARTICIPATING PAYER OR  
9 PARTICIPANT RURAL HOSPITAL.

10 (3) DATA WHICH THE DEPARTMENT PROVIDES TO THE AUTHORITY,  
11 UNLESS THE SECRETARY OR THE DESIGNEE OF THE SECRETARY  
12 SPECIFICALLY AUTHORIZES THE RELEASE OR ACCESS.

13 (4) ANY DATA WHERE A CONFLICT OF INTEREST OCCURS.

14 SECTION 1432-D. CONFIDENTIALITY OF DATA, CONTRACTS AND  
15 AGREEMENTS.

16 (A) RIGHT-TO-KNOW LAW INAPPLICABLE.--ANY CONTRACT OR  
17 AGREEMENT BETWEEN PARTICIPATING PAYERS AND PARTICIPANT RURAL  
18 HOSPITALS OR ANY DATA, INCLUDING PATIENT DATA, PROVIDED BY A  
19 PARTICIPATING PAYER, A PARTICIPANT RURAL HOSPITAL, INCLUDING A  
20 PARTICIPANT RURAL HOSPITAL'S INSURER OR ADMINISTRATOR, A RURAL  
21 HOSPITAL OR THE DEPARTMENT TO THE AUTHORITY AND MAINTAINED BY  
22 THE AUTHORITY FOR THE PURPOSES OF CARRYING OUT THE REQUIREMENTS  
23 OF THIS ARTICLE SHALL BE CONFIDENTIAL AND SHALL NOT BE SUBJECT  
24 TO THE ACT OF FEBRUARY 14, 2008 (P.L.6, NO.3), KNOWN AS THE  
25 RIGHT-TO-KNOW LAW, OR DISCOVERABLE OR ADMISSIBLE AS EVIDENCE IN  
26 ANY CIVIL, CRIMINAL OR ADMINISTRATIVE ACTION OR PROCEEDING.

27 (B) AUTHORITY ACCESS TO DATA.--NOTHING IN THIS SECTION SHALL  
28 PROHIBIT THE AUTHORITY FROM ACCESSING THE DATA TO CARRY OUT ITS  
29 RESPONSIBILITIES IN ACCORDANCE WITH LAW.

30 (C) RELEASE OF DATA.--DATA PROVIDED TO THE CENTERS FOR

1 MEDICARE AND MEDICAID SERVICES, OR ANY OTHER ENTITY, BY THE  
2 AUTHORITY SHALL BE PROVIDED CONSISTENT WITH APPLICABLE LAWS AND  
3 REGULATIONS, INCLUDING THE HEALTH INSURANCE PORTABILITY AND  
4 ACCOUNTABILITY ACT OF 1996 (PUBLIC LAW 104-191, 110 STAT. 1936),  
5 THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL  
6 HEALTH ACT (PUBLIC LAW 111-5, 123 STAT. 226-279 AND 467-496) AND  
7 IMPLEMENTING REGULATIONS, TO THE EXTENT ALLOWED BY LAW AND  
8 WRITTEN AGREEMENTS BETWEEN THE AUTHORITY AND EACH PARTICIPATING  
9 PAYER AND PARTICIPANT RURAL HOSPITAL.

10 SUBARTICLE E

11 PENNSYLVANIA RURAL HEALTH REDESIGN

12 CENTER FUND

13 SECTION 1441-D. CONTINUATION OF FUND.

14 THE PENNSYLVANIA RURAL HEALTH REDESIGN CENTER FUND IS  
15 CONTINUED AS A SEPARATE FUND IN THE STATE TREASURY.

16 SECTION 1442-D. MONEY IN FUND.

17 THE GENERAL ASSEMBLY MAY APPROPRIATE MONEY TO CARRY OUT THE  
18 PROVISIONS OF THIS ARTICLE. ALL MONEY DEPOSITED INTO THE FUND  
19 SHALL BE HELD FOR THE PURPOSES OF THE AUTHORITY AND MAY NOT BE  
20 CONSIDERED A PART OF THE GENERAL FUND BUT SHALL BE USED ONLY TO  
21 EFFECTUATE THE PURPOSES OF THIS ARTICLE AS DETERMINED BY THE  
22 AUTHORITY. ALL INTEREST EARNED FROM THE INVESTMENT OR DEPOSIT OF  
23 MONEY ACCUMULATED IN THE FUND SHALL BE DEPOSITED IN THE FUND FOR  
24 THE SAME USE. ANY MONEY RETURNED TO THE AUTHORITY BY ANY PARTY  
25 SHALL BE DEPOSITED INTO THE FUND.

26 SECTION 9. REPEALS ARE AS FOLLOWS:

27 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER  
28 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF  
29 ARTICLE XIV-D OF THE ACT.

30 (2) THE ACT OF NOVEMBER 27, 2019 (P.L.742, NO.108),

1 KNOWN AS THE PENNSYLVANIA RURAL HEALTH REDESIGN CENTER  
2 AUTHORITY ACT, IS REPEALED.

3 SECTION 10. THE ADDITION OF ARTICLE XIV-D OF THE ACT IS A  
4 CONTINUATION OF THE ACT OF NOVEMBER 27, 2019 (P.L.742, NO.108),  
5 KNOWN AS THE PENNSYLVANIA RURAL HEALTH REDESIGN CENTER AUTHORITY  
6 ACT. THE FOLLOWING APPLY:

7 (1) EXCEPT AS OTHERWISE PROVIDED IN ADDITION OF ARTICLE  
8 XIV-D OF THE ACT, ALL ACTIVITIES INITIATED UNDER THE  
9 PENNSYLVANIA RURAL HEALTH REDESIGN CENTER AUTHORITY ACT SHALL  
10 CONTINUE AND REMAIN IN FULL FORCE AND EFFECT AND MAY BE  
11 COMPLETED UNDER THE ADDITION OF ARTICLE XIV-D OF THE ACT.  
12 ORDERS, REGULATIONS, RULES AND DECISIONS WHICH WERE MADE  
13 UNDER THE PENNSYLVANIA RURAL HEALTH REDESIGN CENTER AUTHORITY  
14 ACT AND WHICH ARE IN EFFECT ON THE EFFECTIVE DATE OF SECTION  
15 9 OF THIS ACT SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL  
16 REVOKED, VACATED OR MODIFIED UNDER ADDITION OF ARTICLE XIV-D  
17 OF THE ACT. CONTRACTS, OBLIGATIONS AND COLLECTIVE BARGAINING  
18 AGREEMENTS ENTERED INTO UNDER THE PENNSYLVANIA RURAL HEALTH  
19 REDESIGN CENTER AUTHORITY ACT ARE NOT AFFECTED NOR IMPAIRED  
20 BY THE REPEAL OF THE PENNSYLVANIA RURAL HEALTH REDESIGN  
21 CENTER AUTHORITY ACT.

22 (2) EXCEPT AS SET FORTH IN PARAGRAPH (3), ANY DIFFERENCE  
23 IN LANGUAGE BETWEEN THE ADDITION OF ARTICLE XIV-D OF THE ACT  
24 AND THE PENNSYLVANIA RURAL HEALTH REDESIGN CENTER AUTHORITY  
25 ACT IS NOT INTENDED TO CHANGE OR AFFECT THE LEGISLATIVE  
26 INTENT, JUDICIAL CONSTRUCTION OR ADMINISTRATION AND  
27 IMPLEMENTATION OF THE THE PENNSYLVANIA RURAL HEALTH REDESIGN  
28 CENTER AUTHORITY.

29 (3) PARAGRAPH (2) DOES NOT APPLY TO THE ADDITION OF THE  
30 FOLLOWING PROVISIONS:

1 (I) SECTION 1411-D(C) OF THE ACT.

2 (II) SECTION 1442-D OF THE ACT.

3 SECTION 11. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.