

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. House Bill 33

PRINTER NO. 2182

AMOUNT

See Fiscal Impact

FUND

General Fund

DATE INTRODUCED

January 28, 2019

PRIME SPONSOR

Representative Dunbar

DESCRIPTION AND PURPOSE OF BILL

House Bill 33 amends the Human Services Code to eliminate the general assistance cash benefit program, to revise definitions in the statewide hospital assessment, to extend the Philadelphia hospital assessment and to extend the Medical Assistance Day One Incentive payments for non-public nursing homes.

House Bill 33 eliminates the general assistance (GA) cash assistance program on August 1, 2019. This program was previously eliminated on August 1, 2012, through Act 80 of 2012.

The bill revises the definitions for “net inpatient revenue” and “net outpatient revenue” in the Statewide Quality Care Assessment.

The bill reauthorizes the Philadelphia hospital assessment for an additional five years through June 30, 2024, and includes the following changes: updates the definitions of “high volume Medicaid hospital” and “net patient revenue”; allows for different assessment percentages for general acute care hospitals and high volume Medicaid hospitals; and provides administrative provisions for calculating assessments when a hospital opens, closes, changes ownership or any other change that affects its status as a general acute care hospitals or high volume Medicaid hospitals.

House Bill 33 continues the Medical Assistance Day One Incentive (MDOI) Payment to qualifying nonpublic nursing facilities with an overall occupancy rate of at least 85% and with a medical assistance occupancy rate of at least 65%.

This act shall take effect July 1, 2019, or immediately, whichever is later, except for the general assistance cash assistance which is effective on August 1, 2019.

FISCAL IMPACT:

The elimination of the general assistance (GA) cash assistance program is project to save \$31.8 million in state funding in Fiscal Year 2019-20.

The revision of definitions to the Statewide Quality Care Assessment has no fiscal impact to the General Fund.

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

The Philadelphia hospital assessment revenue for the Commonwealth totals \$181.5 million (\$60.5 million per year) over the next five fiscal years (2019-2020, 2020-2021, 2021-2022, 2022-2023 and 2023-2024). In addition, the Philadelphia hospitals will receive \$93 million annually, as well as the city of Philadelphia which will receive \$12 million annually from this assessment.

The Medical Assistance Day One Incentive (MDOI) Payment is \$16 million in State funds for Fiscal Year 2019-20.