

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 254 Session of 2009

INTRODUCED BY FAIRCHILD, ADOLPH, BAKER, BARRAR, BEAR, BEYER, BOYD, BRENNAN, CIVERA, CLYMER, COHEN, CONKLIN, DENLINGER, EACHUS, EVERETT, FLECK, FRANKEL, GEIST, GEORGE, GINGRICH, GOODMAN, GRELL, GROVE, GRUCELA, HARKINS, HARRIS, HELM, HESS, KIRKLAND, KORTZ, MCGEEHAN, MCILVAINE SMITH, MICCARELLI, MILLER, MOUL, O'NEILL, PAYNE, PHILLIPS, PICKETT, RAPP, REICHLEY, SAYLOR, SCAVELLO, SIPTROTH, K. SMITH, SOLOBAY, STERN, VULAKOVICH, WANSACZ, YUDICHAK, ROCK, CAUSER, MICOZZIE, MURT AND BOBACK, FEBRUARY 4, 2009

AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, OCTOBER 1, 2009

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," IN GENERAL POWERS OF THE
4 DEPARTMENT OF PUBLIC WELFARE, providing for veterans; IN
5 PUBLIC ASSISTANCE, FURTHER PROVIDING FOR ESTABLISHMENT OF
6 COUNTY BOARDS AND EXPENSES AND FOR LIFETIME LIMIT; AND, IN
7 HOSPITAL ASSESSMENT, FURTHER PROVIDING FOR DEFINITIONS, FOR
8 AUTHORIZATION, FOR ADMINISTRATION, FOR NO HOLD HARMLESS, FOR
9 TAX EXEMPTION AND FOR CESSATION.



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

12 Section 1. The act of June 13, 1967 (P.L.31, No.21), known
13 as the Public Welfare Code, is amended by adding a section to
14 read:

15 Section 215. Veterans.--(a) The department shall make a
16 good faith effort to determine whether an applicant for cash,
17 medical or energy assistance is a veteran. While in the process

1 of making its determination, the department shall dispense
2 benefits to the applicant, if otherwise eligible.

3 (b) As a condition of eligibility to receive cash, medical
4 or energy assistance, unless there is good cause not to do so,
5 an applicant who is a veteran shall be required to contact a
6 veteran service officer accredited and recognized by the United
7 States Department of Veterans Affairs, the Department of
8 Military and Veterans Affairs or the county director of veterans
9 affairs in which the applicant resides in order to determine the
10 applicant's eligibility for veteran's benefits or to file a
11 veteran claims packet. The department shall develop a standard
12 form to be used by a veteran service officer to verify the
13 applicant's eligibility for veteran benefits.

14 (c) An applicant who is a veteran shall provide proof of
15 compliance with this section and the department shall, to the
16 greatest extent possible, require the applicant to provide
17 information on the final determination of eligibility for
18 veteran benefits and the type of benefits the veteran is
19 entitled to receive.

20 (d) As used in this section, the following words and phrases
21 shall have the following meanings:

22 "Assistance" means money, services and payment for medical
23 coverage or energy assistance for needy persons who are
24 residents of this Commonwealth, are in need of assistance and
25 meet all conditions of eligibility.

26 "Veteran claims packet" means an application requesting a
27 determination or entitlement or evidencing a belief in
28 entitlement to a benefit as provided for in 38 CFR (relating to
29 pensions, bonuses, and veterans' relief) or 51 Pa.C.S. (relating
30 to military affairs).

1 ~~Section 2. This act shall take effect immediately.~~ ←

2 SECTION 2. SECTION 415 OF THE ACT IS AMENDED TO READ: ←

3 SECTION 415. ESTABLISHMENT OF COUNTY BOARDS; EXPENSES.--FOR
4 EACH COUNTY OF THE COMMONWEALTH, THERE IS HEREBY ESTABLISHED A
5 COUNTY BOARD OF ASSISTANCE, TO BE KNOWN AS THE COUNTY BOARD OF
6 ASSISTANCE AND REFERRED TO IN THIS ARTICLE IV AS THE "COUNTY
7 BOARD," WHICH SHALL BE COMPOSED OF MEN AND WOMEN, TO BE
8 APPOINTED BY THE GOVERNOR [WITH THE ADVICE AND CONSENT OF TWO-
9 THIRDS OF ALL MEMBERS OF THE SENATE]. EACH APPOINTMENT BY THE
10 GOVERNOR SHALL BEAR THE ENDORSEMENT OF THE SENATOR OF THE
11 DISTRICT IN WHICH THE NOMINEE RESIDES. IN THE CASE OF A VACANCY
12 IN THAT SENATORIAL DISTRICT, THE NOMINEE SHALL BE ENDORSED BY
13 THE SENATOR OF AN ADJACENT DISTRICT. THE COUNTY BOARDS SHALL BE
14 COMPOSED AS FAR AS POSSIBLE OF PERSONS ENGAGED OR INTERESTED IN
15 BUSINESS, SOCIAL WELFARE, LABOR, INDUSTRY, EDUCATION OR PUBLIC
16 ADMINISTRATION. THE MEMBERS OF THE COUNTY BOARDS SHALL SERVE
17 WITHOUT COMPENSATION, BUT SHALL BE REIMBURSED FOR NECESSARY
18 EXPENSES. NO MEMBER OF A COUNTY BOARD SHALL HOLD OFFICE IN ANY
19 POLITICAL PARTY. NOT ALL OF THE MEMBERS OF A COUNTY BOARD SHALL
20 BELONG TO THE SAME POLITICAL PARTY.

21 SECTION 3. SECTION 441.4 OF THE ACT, ADDED JULY 7, 2005
22 (P.L.177, NO.42), IS AMENDED TO READ:

23 SECTION 441.4. [LIFETIME LIMIT] REASONABLE LIMITS ON
24 ALLOWABLE INCOME DEDUCTIONS FOR MEDICAL EXPENSES WHEN
25 DETERMINING PAYMENT TOWARD THE COST OF LONG-TERM CARE
26 SERVICES.-- (A) [NECESSARY MEDICAL OR REMEDIAL CARE EXPENSES
27 RECOGNIZED UNDER FEDERAL OR STATE LAW BUT NOT PAID FOR BY THE
28 MEDICAL ASSISTANCE PROGRAM ARE ALLOWABLE INCOME DEDUCTIONS WHEN
29 DETERMINING A RECIPIENT'S PAYMENT TOWARD THE COST OF LONG-TERM
30 CARE SERVICES. AN ALLOWABLE INCOME DEDUCTION FOR UNPAID MEDICAL

1 EXPENSES INCURRED PRIOR TO THE AUTHORIZATION OF MEDICAL
2 ASSISTANCE ELIGIBILITY AND THOSE MEDICAL EXPENSES INCURRED FOR
3 LONG-TERM CARE SERVICES AFTER MEDICAL ASSISTANCE IS AUTHORIZED
4 SHALL BE SUBJECT TO A LIFETIME MAXIMUM OF TEN THOUSAND DOLLARS
5 (\$10,000) UNLESS APPLICATION OF THE LIMIT WOULD RESULT IN UNDUE
6 HARDSHIP.] WHEN DETERMINING A RECIPIENT'S PAYMENT TOWARD THE
7 COST OF LONG-TERM CARE SERVICES, LONG-TERM CARE MEDICAL EXPENSES
8 INCURRED SIX MONTHS OR MORE PRIOR TO APPLICATION FOR MEDICAL
9 ASSISTANCE SHALL BE DISALLOWED AS A DEDUCTION, AND MEDICAL AND
10 REMEDIAL EXPENSES THAT WERE INCURRED AS A RESULT OF A TRANSFER
11 OF ASSETS PENALTY SHALL BE LIMITED TO ZERO UNLESS APPLICATION OF
12 THESE LIMITS WOULD RESULT IN UNDUE HARDSHIP.

13 (B) AS USED IN THIS SECTION, THE TERM "UNDUE HARDSHIP" SHALL
14 MEAN THAT EITHER:

15 (1) DENIAL OF MEDICAL ASSISTANCE WOULD DEPRIVE THE
16 INDIVIDUAL OF MEDICAL CARE AND ENDANGER THE INDIVIDUAL'S HEALTH
17 OR LIFE; OR

18 (2) THE INDIVIDUAL OR A FINANCIALLY DEPENDENT FAMILY MEMBER
19 WOULD BE DEPRIVED OF FOOD, SHELTER OR THE NECESSITIES OF LIFE.

20 SECTION 4. THE DEFINITIONS OF "EXEMPT HOSPITAL" AND "GENERAL
21 ACUTE CARE HOSPITAL" IN SECTION 801-E OF THE ACT, ADDED JULY 4,
22 2008 (P.L.557, NO.44), ARE AMENDED AND THE SECTION IS AMENDED BY
23 ADDING A DEFINITION TO READ:

24 SECTION 801-E. DEFINITIONS.

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

28 * * *

29 ["EXEMPT HOSPITAL." A HOSPITAL THAT THE SECRETARY OF PUBLIC
30 WELFARE HAS DETERMINED MEETS ONE OF THE FOLLOWING:

1 (1) IS EXCLUDED UNDER 42 CFR 412.23(A), (B), (D) AND (F)
2 (RELATING TO EXCLUDED HOSPITALS: CLASSIFICATIONS) AS OF MARCH
3 20, 2008, FROM REIMBURSEMENT OF CERTAIN FEDERAL FUNDS UNDER THE
4 PROSPECTIVE PAYMENT SYSTEM DESCRIBED BY 42 CFR PT. 412 (RELATING
5 TO PROSPECTIVE PAYMENT SYSTEMS FOR INPATIENT HOSPITAL SERVICES).

6 (2) IS A FEDERAL VETERANS' AFFAIRS HOSPITAL.

7 (3) IS PART OF AN INSTITUTION WITH STATE-RELATED STATUS AS
8 THAT TERM IS DEFINED IN 22 PA. CODE § 31.2 (RELATING TO
9 DEFINITIONS) AND PROVIDES OVER 100,000 DAYS OF CARE TO MEDICAL
10 ASSISTANCE PATIENTS ANNUALLY.

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

13 "GENERAL ACUTE CARE HOSPITAL." A HOSPITAL OTHER THAN [AN
14 EXEMPT HOSPITAL.] A HOSPITAL THAT THE SECRETARY OF PUBLIC
15 WELFARE HAS DETERMINED MEETS ONE OF THE FOLLOWING:

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

22 (2) IS A FEDERAL VETERANS' AFFAIRS HOSPITAL.

23 (3) IS A HIGH VOLUME MEDICAID HOSPITAL.

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

26 "HIGH VOLUME MEDICAID HOSPITAL." A HOSPITAL THAT THE
27 SECRETARY OF PUBLIC WELFARE HAS DETERMINED MEETS ALL OF THE
28 FOLLOWING:

29 (1) IS A NONPROFIT HOSPITAL SUBSIDIARY OF A STATE-RELATED
30 INSTITUTION AS THAT TERM IS DEFINED IN 62 PA.C.S. § 103

1 (RELATING TO DEFINITIONS); AND

2 (2) PROVIDES MORE THAN 90,000 DAYS OF CARE TO MEDICAL
3 ASSISTANCE PATIENTS ANNUALLY.

4 * * *

5 SECTION 5. SECTIONS 802-E, 804-E, 805-E, 807-E AND 808-E OF
6 THE ACT, ADDED JULY 4, 2008 (P.L.557, NO.44), ARE AMENDED TO
7 READ:

8 SECTION 802-E. AUTHORIZATION.

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

15 (1) IMPOSE A MONETARY ASSESSMENT ON THE NET OPERATING
16 REVENUE REDUCED BY ALL REVENUES RECEIVED FROM MEDICARE OF EACH
17 GENERAL ACUTE CARE HOSPITAL LOCATED IN THE MUNICIPALITY [SUBJECT
18 TO THE CONDITIONS AND REQUIREMENTS SPECIFIED UNDER THIS
19 ARTICLE].

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

25 (B) ADMINISTRATIVE PROVISIONS.--THE [ORDINANCE] ORDINANCES
26 ADOPTED PURSUANT TO SUBSECTION (A) MAY INCLUDE APPROPRIATE
27 ADMINISTRATIVE PROVISIONS INCLUDING, WITHOUT LIMITATION,
28 PROVISIONS FOR THE COLLECTION OF INTEREST AND PENALTIES.

29 (C) MAXIMUM ASSESSMENT.--IN EACH YEAR IN WHICH THE
30 ASSESSMENT IS IMPLEMENTED, THE ASSESSMENT SHALL BE SUBJECT TO

1 THE MAXIMUM AGGREGATE AMOUNT THAT MAY BE ASSESSED UNDER 42 CFR
2 433.68 (F) (3) (I) (RELATING TO PERMISSIBLE HEALTH CARE-RELATED
3 TAXES) OR ANY OTHER MAXIMUM ESTABLISHED UNDER FEDERAL LAW.
4 SECTION 804-E. ADMINISTRATION.

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

15 (B) ESTABLISHMENT.--THERE IS ESTABLISHED A RESTRICTED
16 ACCOUNT IN THE GENERAL FUND FOR THE RECEIPT AND DEPOSIT OF FUNDS
17 UNDER SUBSECTION (A). FUNDS IN THE ACCOUNT ARE HEREBY
18 APPROPRIATED TO THE DEPARTMENT FOR PURPOSES OF MAKING
19 SUPPLEMENTAL OR INCREASED MEDICAL ASSISTANCE PAYMENTS FOR
20 EMERGENCY DEPARTMENT SERVICES TO GENERAL ACUTE CARE HOSPITALS
21 WITHIN THE MUNICIPALITY AND TO MAINTAIN OR INCREASE OTHER
22 MEDICAL ASSISTANCE PAYMENTS TO HOSPITALS WITHIN THE
23 MUNICIPALITY, AS SPECIFIED IN THE COMMONWEALTH'S APPROVED TITLE
24 XIX STATE PLAN.

25 SECTION 805-E. NO HOLD HARMLESS.

26 NO GENERAL ACUTE CARE HOSPITAL OR HIGH VOLUME MEDICAID
27 HOSPITAL SHALL BE DIRECTLY GUARANTEED A REPAYMENT OF ITS
28 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 A PORTION OF THE FUNDS RECEIVED UNDER
2 SECTION 804-E(A) FOR THE PURPOSES OUTLINED UNDER SECTION 804-
3 E(B) TO THE EXTENT PERMISSIBLE UNDER FEDERAL AND STATE LAW OR
4 REGULATION AND WITHOUT CREATING AN INDIRECT GUARANTEE TO HOLD
5 HARMLESS, AS THOSE TERMS ARE USED UNDER 42 CFR 433.68(F)(I). THE
6 SECRETARY SHALL SUBMIT ANY STATE MEDICAID PLAN AMENDMENTS TO THE
7 UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES THAT ARE
8 NECESSARY TO MAKE THE PAYMENTS AUTHORIZED UNDER SECTION 804-
9 E(B).

10 SECTION 807-E. TAX EXEMPTION.

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

17 SECTION 808-E. [CESSATION] TIME PERIOD.

18 (A) CESSATION.--THE ASSESSMENT AUTHORIZED UNDER THIS ARTICLE
19 SHALL CEASE JUNE 30, 2013.

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

23 SECTION 6. THIS ACT SHALL TAKE EFFECT IMMEDIATELY.