

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 922 Session of 2009

INTRODUCED BY KITCHEN, WASHINGTON, TARTAGLIONE, FONTANA, HUGHES, DINNIMAN AND WILLIAMS, JUNE 5, 2009

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES, OCTOBER 8, 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 AND
4 DUTIES OF THE DEPARTMENT OF PUBLIC WELFARE, PROVIDING FOR
5 DETERMINING WHETHER APPLICANTS ARE VETERANS; AND, IN PUBLIC
6 ASSISTANCE, further providing for establishment of county
7 boards and expenses and for lifetime limit; further defining
8 "general acute care hospital"; providing for a definition;
9 and further providing for authorization, for administration,
10 for no hold harmless, for tax exemption and for cessation.



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

13 ~~Section 1. Section 415 of the act of June 13, 1967 (P.L.31,~~
14 ~~No.21), known as the Public Welfare Code, is amended to read:~~



15 SECTION 1. THE ACT OF JUNE 13, 1967 (P.L.31, NO.21), KNOWN
16 AS THE PUBLIC WELFARE CODE, IS AMENDED BY ADDING A SECTION TO
17 READ:



18 SECTION 215. DETERMINING WHETHER APPLICANTS ARE VETERANS.--

19 (A) THE DEPARTMENT SHALL MAKE A GOOD FAITH EFFORT TO DETERMINE
20 WHETHER AN APPLICANT FOR CASH, MEDICAL OR ENERGY ASSISTANCE IS A
21 VETERAN. WHILE IN THE PROCESS OF MAKING ITS DETERMINATION, THE

1 DEPARTMENT SHALL DISPENSE BENEFITS TO THE APPLICANT, IF
2 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'S 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'S 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. SECTION 415 OF THE ACT IS AMENDED TO READ:

2 Section 415. Establishment of County Boards; Expenses.--For
3 each county of the Commonwealth, there is hereby established a
4 county board of assistance, to be known as the County Board of
5 Assistance and referred to in this Article IV as the "county
6 board," which shall be composed of men and women, to be
7 appointed by the Governor [with the advice and consent of two-
8 thirds of all members of the Senate]. Each appointment by the
9 Governor shall bear the endorsement of the senator of the
10 district in which the nominee resides. In the case of a vacancy
11 in that senatorial district, the nominee shall be endorsed by
12 the senator of an adjacent district. The county boards shall be
13 composed as far as possible of persons engaged or interested in
14 business, social welfare, labor, industry, education or public
15 administration. The members of the county boards shall serve
16 without compensation, but shall be reimbursed for necessary
17 expenses. No member of a county board shall hold office in any
18 political party. Not all of the members of a county board shall
19 belong to the same political party.

20 Section ~~2~~ 3. Section 441.4 of the act, added July 7, 2005 ←
21 (P.L.177, No.42), is amended to read:

22 Section 441.4. [Lifetime Limit] Reasonable Limits on
23 Allowable Income Deductions for Medical Expenses When
24 Determining Payment Toward the Cost of Long-Term Care
25 Services.--(a) [Necessary medical or remedial care expenses
26 recognized under Federal or State law but not paid for by the
27 medical assistance program are allowable income deductions when
28 determining a recipient's payment toward the cost of long-term
29 care services. An allowable income deduction for unpaid medical
30 expenses incurred prior to the authorization of medical

1 assistance eligibility and those medical expenses incurred for
2 long-term care services after medical assistance is authorized
3 shall be subject to a lifetime maximum of ten thousand dollars
4 (\$10,000) unless application of the limit would result in undue
5 hardship.] When determining a recipient's payment toward the
6 cost of long-term care services, long-term care medical expenses
7 incurred six months or more prior to application for medical
8 assistance shall be disallowed as a deduction, and medical and
9 remedial expenses that were incurred as a result of a transfer
10 of assets penalty shall be limited to zero unless application of
11 these limits would result in undue hardship.

12 (b) As used in this section, the term "undue hardship" shall
13 mean that either:

14 (1) denial of medical assistance would deprive the
15 individual of medical care and endanger the individual's health
16 or life; or

17 (2) the individual or a financially dependent family member
18 would be deprived of food, shelter or the necessities of life.

19 Section 3 4. The definition of "general acute care hospital" ←
20 in section 801-E of the act, added July 4, 2008 (P.L.557,
21 No.44), is amended and the section is amended by adding a
22 definition to read:

23 Section 801-E. Definitions.

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

27 * * *

28 "General acute care hospital." A hospital other than [an
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), (e) and
2 (f) (relating to excluded hospitals: Classifications) as of
3 March 20, 2008, from reimbursement of certain Federal funds
4 under the prospective payment system described by 42 CFR 412
5 (relating to prospective payment systems for inpatient hospital
6 services).

7 (2) Is a Federal veterans' affairs hospital.

8 (3) Is a high volume Medicaid hospital.

9 (4) Provides care, including inpatient hospital services, to
10 all patients free of charge.

11 "High volume Medicaid hospital." A hospital that the
12 Secretary of Public Welfare has determined meets all of the
13 following:

14 (1) Is a nonprofit hospital subsidiary of a State-related
15 institution as that term is defined in 62 Pa.C.S. § 103
16 (relating to definitions); and

17 (2) Provides more than 90,000 days of care to medical
18 assistance patients annually.

19 * * *

20 Section 4 5. Sections 802-E, 804-E, 805-E, 807-E and 808-E ←
21 of the act, added July 4, 2008 (P.L.557, No.44), are amended to
22 read:

23 Section 802-E. Authorization.

24 (a) General rule.--In order to generate additional revenues
25 for the purpose of assuring that medical assistance recipients
26 have access to hospital services and that all citizens have
27 access to emergency department services, and subject to the
28 conditions and requirements specified under this article, a
29 municipality may, by ordinance, [impose] do the following:

30 (1) Impose a monetary assessment on the net operating

1 revenue reduced by all revenues received from Medicare of each
2 general acute care hospital located in the municipality [subject
3 to the conditions and requirements specified under this
4 article].

5 (2) Beginning on or after July 1, 2009, and subject to the
6 advance written approval by the secretary, impose a monetary
7 assessment on the net operating revenues reduced by all revenues
8 received from Medicare of each high volume Medicaid hospital
9 located in the municipality.

10 (b) Administrative provisions.--The [ordinance] ordinances
11 adopted pursuant to subsection (a) may include appropriate
12 administrative provisions including, without limitation,
13 provisions for the collection of interest and penalties.

14 (c) Maximum assessment.--In each year in which the
15 assessment is implemented, the assessment shall be subject to
16 the maximum aggregate amount that may be assessed under 42 CFR
17 433.68(f)(3)(i) (relating to permissible health care-related
18 taxes) or any other maximum established under Federal law.
19 Section 804-E. Administration.

20 (a) Remittance.--Upon collection of the funds generated by
21 the assessment authorized under this article, the municipality
22 shall remit a portion of the funds to the Commonwealth for the
23 purposes set forth under section 802-E, except that the
24 municipality may retain funds in an amount necessary to
25 reimburse it for its reasonable costs in the administration and
26 collection of the assessment and to fund a portion of its costs
27 of operating public health clinics as set forth in an agreement
28 to be entered into between the municipality and the Commonwealth
29 acting through the secretary.

30 (b) Establishment.--There is established a restricted

1 account in the General Fund for the receipt and deposit of funds
2 under subsection (a). Funds in the account are hereby
3 appropriated to the department for purposes of making
4 supplemental or increased medical assistance payments for
5 emergency department services to general acute care hospitals
6 within the municipality and to maintain or increase other
7 medical assistance payments to hospitals within the
8 municipality, as specified in the Commonwealth's approved Title
9 XIX State Plan.

10 Section 805-E. No hold harmless.

11 No general acute care hospital or high volume Medicaid
12 hospital shall be directly guaranteed a repayment of its
13 assessment in derogation of 42 CFR 433.68(f) (relating to
14 permissible health care-related taxes), except that, in each
15 fiscal year in which an assessment is implemented, the
16 department shall use a portion of the funds received under
17 section 804-E(a) for the purposes outlined under section 804-
18 E(b) to the extent permissible under Federal and State law or
19 regulation and without creating an indirect guarantee to hold
20 harmless, as those terms are used under 42 CFR 433.68(f)(i). The
21 secretary shall submit any State Medicaid plan amendments to the
22 United States Department of Health and Human Services that are
23 necessary to make the payments authorized under section 804-
24 E(b).

25 Section 807-E. Tax exemption.

26 Notwithstanding any exemptions granted by any other Federal,
27 State or local tax or other law, including section 204(a)(3) of
28 the act of May 22, 1933 (P.L.853, No.155), known as The General
29 County Assessment Law, no general acute care hospital or high
30 volume Medicaid hospital in the municipality shall be exempt

1 from the assessment.

2 Section 808-E. [Cessation] Time period.

3 (a) Cessation.--The assessment authorized under this article
4 shall cease June 30, 2013.

5 (b) Assessment.--A municipality shall have the power to
6 enact the assessment authorized in section 802-E(a)(2) either
7 prior to or during its fiscal year ending June 30, 2010.

8 Section 5 6. This act shall take effect immediately. ←