

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1075 Session of 2013

INTRODUCED BY MOUL, CALTAGIRONE, DAVIS, HENNESSEY, COHEN, KORTZ,  
D. COSTA, MUNDY, HESS, QUINN, DAVIDSON, FABRIZIO, MURT AND  
BISHOP, APRIL 2, 2013

SENATOR VANCE, PUBLIC HEALTH AND WELFARE, IN SENATE, RE-REPORTED  
AS AMENDED, JUNE 28, 2013

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," CHANGING THE NAME OF THE <--  
4 DEPARTMENT OF PUBLIC WELFARE TO THE DEPARTMENT OF HUMAN  
5 SERVICES AND PROVIDING FOR A TRANSITION PERIOD; IN GENERAL  
6 POWERS AND DUTIES OF THE DEPARTMENT OF PUBLIC WELFARE,  
7 FURTHER PROVIDING FOR COUNTY HUMAN SERVICES CONSOLIDATED  
8 PLANNING AND REPORTING; IN PUBLIC ASSISTANCE, FURTHER  
9 PROVIDING FOR MEDICAL ASSISTANCE PAYMENTS FOR INSTITUTIONAL  
10 CARE AND FOR MEDICAL ASSISTANCE BENEFIT PACKAGES, COVERAGE,  
11 COPAYMENTS, PREMIUMS AND RATES; IN CHILDREN AND YOUTH,  
12 FURTHER PROVIDING FOR PAYMENTS TO COUNTIES FOR SERVICES TO  
13 CHILDREN AND PROVIDING FOR PROVIDER SUBMISSIONS; IN  
14 INTERMEDIATE CARE FACILITIES ASSESSMENTS, FURTHER PROVIDING  
15 FOR TIME PERIODS AND MAKING EDITORIAL CHANGES; IN HOSPITAL  
16 ASSESSMENTS, FURTHER PROVIDING FOR AUTHORIZATION AND FOR TIME  
17 PERIOD; IN STATEWIDE QUALITY CARE ASSESSMENT, FURTHER  
18 DEFINING "NET INPATIENT REVENUE," PROVIDING FOR  
19 IMPLEMENTATION, FOR ADMINISTRATION, FOR LIMITATIONS AND FOR  
20 EXPIRATION; IN PENNSYLVANIA TRAUMA SYSTEMS STABILIZATION,  
21 FURTHER PROVIDING FOR FUNDING; in kinship care, further  
22 providing for scope and for definitions; ~~and~~ providing for <--  
23 family finding; AND, IN HUMAN SERVICES BLOCK GRANT PILOT <--  
24 PROGRAM, FURTHER PROVIDING FOR ESTABLISHMENT OF HUMAN  
25 SERVICES BLOCK GRANT PILOT PROGRAM, FOR POWERS AND DUTIES OF  
26 THE DEPARTMENT, FOR POWERS AND DUTIES OF COUNTIES, FOR  
27 ALLOCATION AND FOR USE OF BLOCK GRANT FUNDS.

28 THE GENERAL ASSEMBLY FINDS AND DECLARES AS FOLLOWS: <--

29 (1) IT IS THE PURPOSE OF THIS ACT TO PROVIDE FISCAL AND

1 ADMINISTRATIVE SUPPORT THAT PROMOTES THE HEALTH, SAFETY AND  
2 WELFARE OF THE CITIZENS OF THIS COMMONWEALTH.

3 (2) PENNSYLVANIA, THROUGH THE DEPARTMENT OF PUBLIC  
4 WELFARE AND THE COUNTIES, PROVIDES A BROAD ARRAY OF HEALTH  
5 CARE AND OTHER HUMAN SERVICES TO LOW INCOME FAMILIES,  
6 CHILDREN AND YOUTH, THOSE WITH INTELLECTUAL AND PHYSICAL  
7 DISABILITIES AND THE ELDERLY.

8 (3) SECTION 24 OF ARTICLE III OF THE CONSTITUTION OF  
9 PENNSYLVANIA REQUIRES THE GENERAL ASSEMBLY TO ADOPT ALL  
10 APPROPRIATIONS FOR THE OPERATION OF GOVERNMENT IN THIS  
11 COMMONWEALTH. THE SUPREME COURT HAS REPEATEDLY AFFIRMED THAT,  
12 "IT IS FUNDAMENTAL WITHIN PENNSYLVANIA'S TRIPARTITE SYSTEM  
13 THAT THE GENERAL ASSEMBLY ENACTS THE LEGISLATION ESTABLISHING  
14 THOSE PROGRAMS WHICH THE STATE PROVIDES FOR ITS CITIZENS AND  
15 APPROPRIATES THE FUNDS NECESSARY FOR THEIR OPERATION."

16 (4) SECTION 11 OF ARTICLE III OF THE CONSTITUTION OF  
17 PENNSYLVANIA REQUIRES THE ADOPTION OF A GENERAL APPROPRIATION  
18 BILL THAT EMBRACES "NOTHING BUT APPROPRIATIONS." WHILE ACTUAL  
19 APPROPRIATION CAN BE CONTAINED IN A GENERAL APPROPRIATIONS  
20 ACT, THE ACHIEVEMENT AND IMPLEMENTATION OF A COMPREHENSIVE  
21 BUDGET INVOLVES MUCH MORE THAN APPROPRIATIONS. ULTIMATELY,  
22 THE BUDGET HAS TO BE BALANCED UNDER SECTION 13 OF ARTICLE  
23 VIII OF THE CONSTITUTION OF PENNSYLVANIA. THIS MAY  
24 NECESSITATE CHANGES TO SOURCES OF FUNDING AND ENACTMENT OF  
25 STATUTES TO ACHIEVE FULL COMPLIANCE WITH THESE CONSTITUTIONAL  
26 PROVISIONS.

27 (5) THEREFORE, IT IS THE INTENT OF THE GENERAL ASSEMBLY  
28 THROUGH THIS ACT TO PROVIDE FURTHER IMPLEMENTATION OF THE  
29 GENERAL APPROPRIATION ACT OF 2013, AS IT AFFECTS THE  
30 OPERATIONS AND FUNDING FOR THE DELIVERY OF HEALTH CARE AND

1 HUMAN SERVICES THAT PROTECT OUR MOST VULNERABLE AND NEEDY  
2 CITIZENS.

3 (6) THIS ACT SHALL ACCOMPLISH ALL OF THE FOLLOWING:

4 (I) PROVIDE FOR THE EXPANSION OF THE HUMAN SERVICES  
5 BLOCK GRANT PILOT PROGRAM.

6 (II) EXTEND THE AUTHORITY FOR STATE AND LOCAL  
7 ASSESSMENTS THAT SUPPORT HOSPITALS AND INTERMEDIATE CARE  
8 FACILITIES FOR PERSONS WITH AN INTELLECTUAL DISABILITY  
9 THAT SERVE PERSONS IN THE MEDICAL ASSISTANCE PROGRAM.

10 (III) PROVIDE FOR SEPARATE MEDICAL ASSISTANCE FEE-  
11 FOR-SERVICE PAYMENTS FOR NORMAL NEWBORN CARE AND FOR  
12 MOTHERS' OBSTETRICAL DELIVERY.

13 (IV) REAUTHORIZE THE NURSING FACILITY REVENUE  
14 ADJUSTMENT NEUTRALITY FACTOR TO PROVIDE CONTINUED  
15 PAYMENTS FOR NURSING FACILITIES THAT SERVE PERSONS IN THE  
16 MEDICAL ASSISTANCE PROGRAM.

17 (V) PROVIDE FOR QUARTERLY MEDICAL ASSISTANCE DAY ONE  
18 INCENTIVE PAYMENTS TO QUALIFIED NONPUBLIC NURSING  
19 FACILITIES.

20 (VI) PROVIDE FOR PUBLICATION OF A PREMIUM SCHEDULE  
21 FOR FAMILIES WITH CHILDREN WITH SPECIAL NEEDS, WHO  
22 RECEIVE BENEFITS UNDER THE MEDICAL ASSISTANCE PROGRAM.

23 (VII) ESTABLISH A PROCESS TO ASSURE THAT THE REVENUE  
24 OF THE COMMONWEALTH IS TIMELY DISBURSED AND EXPENDED  
25 PROPERLY FOR THE DELIVERY OF PUBLIC CHILD WELFARE  
26 SERVICES.

27 (VIII) REAUTHORIZE THE REALLOCATION OF EXCESS FUNDS  
28 FOR PAYMENT TO QUALIFYING HOSPITALS ACCREDITED OR SEEKING  
29 ACCREDITATION AS LEVEL III TRAUMA CENTERS.

30 (IX) CHANGE THE NAME OF THE DEPARTMENT OF PUBLIC

1 WELFARE TO THE DEPARTMENT OF HUMAN SERVICES.

2 (X) PROVIDE FOR THE DEVELOPMENT AND IMPLEMENTATION  
3 OF AN ENHANCED MEDICAL SERVICES DELIVERY SYSTEM.

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

6 ~~Section 1. The heading of Article XIII of the act of June~~ <--  
7 ~~13, 1967 (P.L.31, No.21), known as the Public Welfare Code,~~  
8 ~~added September 30, 2003 (P.L.169, No.25), is amended to read:~~

9 SECTION 1. SECTION 102 OF THE ACT OF JUNE 13, 1967 (P.L.31, <--  
10 NO.21), KNOWN AS THE PUBLIC WELFARE CODE, IS AMENDED TO READ:

11 SECTION 102. DEFINITIONS.--SUBJECT TO ADDITIONAL DEFINITIONS  
12 CONTAINED IN SUBSEQUENT ARTICLES OF THIS ACT, THE FOLLOWING  
13 WORDS WHEN USED IN THIS ACT SHALL HAVE, UNLESS THE CONTEXT  
14 CLEARLY INDICATES OTHERWISE, THE MEANINGS GIVEN THEM IN THIS  
15 SECTION:

16 "DEPARTMENT" MEANS THE DEPARTMENT OF [PUBLIC WELFARE] HUMAN  
17 SERVICES OF THIS COMMONWEALTH.

18 "SECRETARY" MEANS THE SECRETARY OF [PUBLIC WELFARE] HUMAN  
19 SERVICES OF THIS COMMONWEALTH.

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

21 SECTION 103. REDESIGNATION.--(A) THE DEPARTMENT OF PUBLIC  
22 WELFARE SHALL BE KNOWN AS THE DEPARTMENT OF HUMAN SERVICES.

23 (B) A REFERENCE TO THE DEPARTMENT OF PUBLIC WELFARE IN A  
24 STATUTE OR A REGULATION SHALL BE DEEMED A REFERENCE TO THE  
25 DEPARTMENT OF HUMAN SERVICES.

26 (C) IN ORDER TO PROVIDE AN EFFICIENT AND COST-MINIMIZING  
27 TRANSITION, LICENSES, CONTRACTS, DEEDS AND ANY OTHER OFFICIAL  
28 ACTIONS OF THE DEPARTMENT OF PUBLIC WELFARE SHALL NOT BE  
29 AFFECTED BY THE USE OF THE DESIGNATION OF THE DEPARTMENT AS THE  
30 DEPARTMENT OF HUMAN SERVICES. THE DEPARTMENT MAY CONTINUE TO USE

1 THE NAME DEPARTMENT OF PUBLIC WELFARE ON BADGES, LICENSES,  
2 CONTRACTS, DEEDS, STATIONERY AND ANY OTHER OFFICIAL DOCUMENTS  
3 UNTIL EXISTING SUPPLIES ARE EXHAUSTED. THE DEPARTMENT OF PUBLIC  
4 WELFARE MAY SUBSTITUTE THE TITLE "DEPARTMENT OF HUMAN SERVICES"  
5 FOR "DEPARTMENT OF PUBLIC WELFARE" ON ITS DOCUMENTS AND  
6 MATERIALS ON SUCH SCHEDULE AS IT DEEMS APPROPRIATE.

7 (D) THE DEPARTMENT OF HUMAN SERVICES SHALL NOT REPLACE  
8 EXISTING SIGNAGE AT DEPARTMENT LOCATIONS WITH THE REDESIGNATED  
9 NAME UNTIL THE SIGNS ARE WORN AND IN NEED OF REPLACEMENT. THIS  
10 TRANSITION SHALL BE COORDINATED WITH CHANGES IN ADMINISTRATION.

11 (E) THE DEPARTMENT SHALL CONTINUE TO USE THE NAME DEPARTMENT  
12 OF PUBLIC WELFARE ON ITS COMPUTER SYSTEMS UNTIL THE TIME OF  
13 ROUTINE UPGRADES IN EACH COMPUTER SYSTEM IN THE DEPARTMENT. THE  
14 CHANGE IN NAME SHALL BE MADE AT THE TIME OF THE ROUTINE UPGRADE  
15 TO THE DEPARTMENT COMPUTER SYSTEMS.

16 SECTION 441.10. ENHANCED MEDICAL SERVICES DELIVERY SYSTEM.--

17 (A) ANY ENHANCED MEDICAL SERVICES DELIVERY SYSTEM DEVELOPED  
18 COLLABORATIVELY WITH THE UNITED STATES DEPARTMENT OF HEALTH AND  
19 HUMAN SERVICES AND APPROVED FOR THIS COMMONWEALTH SHALL CONSIDER  
20 AND RECOGNIZE ALL OF THE FOLLOWING DESIGN OPTIONS OR REFORMS:

21 (1) BENEFIT DESIGN MODIFICATIONS THAT MAKE THE MEDICAL  
22 ASSISTANCE PROGRAM RESPONSIVE AND FLEXIBLE TO CHANGING NEEDS AND  
23 DEMANDS, THEREBY ALLOWING AN EXPANSION OF COVERAGE TO ADDITIONAL  
24 CITIZENS OF THIS COMMONWEALTH.

25 (2) IMPROVED ACCOUNTABILITY AND PERSONAL RESPONSIBILITY  
26 THROUGH COST SHARING THAT INCLUDES REASONABLE LOW-COST PREMIUMS  
27 OR COPAY REQUIREMENTS, WHICH ENCOURAGE PROPER UTILIZATION AND  
28 THE DELIVERY OF SERVICES TO THOSE WHO NEED THEM MOST.

29 (3) PLAN DESIGN FEATURES THAT PARALLEL THE SERVICES AND  
30 BENEFITS AVAILABLE TO CITIZENS OF THIS COMMONWEALTH WITH

1 COMMERCIAL INSURANCE COVERAGE AND MEET THE REQUIREMENTS OF AN  
2 ESSENTIAL HEALTH BENEFIT PLAN AS DEFINED UNDER THE PATIENT  
3 PROTECTION AND AFFORDABLE CARE ACT (PUBLIC LAW 111-148, 1124  
4 STAT. 119), INCLUDING THE DELIVERY OF BEHAVIORAL HEALTH  
5 SERVICES.

6 (4) MAXIMIZED USE OF COMMERCIAL INSURANCE THAT TAKES AN  
7 INTEGRATED AND MARKET-BASED APPROACH WITH NEW COVERAGE  
8 OPPORTUNITIES, MARKET COMPETITION AND ALTERNATIVES TO THE  
9 EXISTING MEDICAL ASSISTANCE PROGRAM WHEN DETERMINED TO BE MORE  
10 FISCALLY SOUND AND APPROPRIATE, INCLUDING MOVEMENT TO THE HEALTH  
11 CARE EXCHANGE FOR THOSE IN THE MEDICAL ASSISTANCE FOR WORKERS  
12 WITH DISABILITIES PROGRAM.

13 (5) IMPLEMENTATION OF AN ENHANCED MEDICAL SERVICES DELIVERY  
14 SYSTEM THAT UTILIZES EXISTING OR SUPPLEMENTAL PLANS FOR MEDICAL  
15 ASSISTANCE PROGRAMS AS CONTRACTED BY THE DEPARTMENT, USING A  
16 RISK-BASED APPROACH FOR REIMBURSING MEDICAID MANAGED CARE  
17 ORGANIZATIONS.

18 (6) CONTINUED OPERATION OF THE CHILDREN'S HEALTH INSURANCE  
19 PROGRAM IN A FORM THAT DOES NOT UNNECESSARILY REQUIRE A SHIFT TO  
20 MEDICAL ASSISTANCE OR AN ENHANCED MEDICAL SERVICES DELIVERY  
21 SYSTEM.

22 (7) REASONABLE EMPLOYMENT AND JOB SEARCH REQUIREMENTS FOR  
23 THOSE PHYSICALLY OR MENTALLY ABLE, AS WELL AS APPROPRIATE LIMITS  
24 ON NONESSENTIAL BENEFITS, SUCH AS NONEMERGENCY TRANSPORTATION.

25 (8) IMPROVED ACCESS AND CONTINUITY OF CARE, WITH FEDERAL AND  
26 STATE SUPPORT FOR THE USE OF COMMUNITY-BASED HEALTH CENTERS,  
27 MEDICAL HOMES, EXPANDED SCOPE OF PRACTICE AND TARGETED CHRONIC  
28 CARE, INCLUDING A MANAGED LONG-TERM CARE PILOT PROGRAM AND OTHER  
29 LONG-TERM CARE MEASURES, THAT PROVIDE COORDINATION AND DELIVERY  
30 OF PREVENTIVE CARE AND ASSURE THE WELLNESS OF THE SERVED

1 POPULATION.

2 (9) USE OF COMPETITIVE AND VALUE-BASED PURCHASING FROM  
3 MEDICAL PROVIDERS AND MEDICAL EQUIPMENT SUPPLIERS THAT PROMOTES  
4 EFFICIENCIES AND DELIVERS VALUE TO TAXPAYERS.

5 (10) CONTINUED EMPHASIS ON THE REDUCTION OF WASTE, FRAUD AND  
6 ABUSE IN ALL FACETS OF THE MEDICAL SERVICES DELIVERY AND  
7 PROVIDER SYSTEM, WITH FOCUSED ATTENTION ON CREDIBLE ALLEGATIONS  
8 OF FRAUD BY PROVIDERS AND THE USE OF PREDICTIVE MODELING.

9 (11) RESOLUTION ON EXISTING FEDERAL DEFERRALS AND  
10 DISALLOWANCES AS THEY RELATE TO THE PENNSYLVANIA MEDICAID  
11 PROGRAM WITH MINIMAL FINANCIAL IMPACT TO THE COMMONWEALTH.

12 (12) MAINTAINED ALLOWANCE OF THE COMMONWEALTH'S CURRENT  
13 GROSS RECEIPTS TAX ON MEDICAID MANAGED CARE ORGANIZATIONS FOR  
14 THE DURATION OF ANY ENHANCED MEDICAL SERVICES DELIVERY SYSTEM IN  
15 THE COMMONWEALTH.

16 (13) APPLICATION OF THE FEDERAL FINANCIAL PARTICIPATION RATE  
17 CURRENTLY PROVIDED TO THE COMMONWEALTH, BASED ON EXISTING  
18 FEDERAL CALCULATIONS, FOR MEDICAL ASSISTANCE AND ALL OTHER  
19 ELIGIBLE PROGRAMS AND SERVICES THAT RECEIVE A FEDERAL MATCH.

20 (14) AFFIRMATION THAT ANY EXPANDED COVERAGE UNDER THE  
21 ENHANCED MEDICAL SERVICES DELIVERY SYSTEM DOES NOT CONSTITUTE AN  
22 ENTITLEMENT AT THE FEDERAL OR STATE LEVEL.

23 (B) THE ADOPTION OF AN AGREEMENT TO CREATE AN ENHANCED  
24 MEDICAL SERVICES DELIVERY SYSTEM IN THIS COMMONWEALTH FOR ADULTS  
25 RANGING FROM 19 TO 65 YEARS OF AGE NECESSITATES FURTHER  
26 DISCUSSIONS WITH THE UNITED STATES DEPARTMENT OF HEALTH AND  
27 HUMAN SERVICES TO ENSURE THAT IT CAN BE ACCOMPLISHED IN AN  
28 INTEGRATED, COST-EFFECTIVE AND FISCALLY SUSTAINABLE MANNER AND  
29 THAT TAXPAYER DOLLARS DERIVED DIRECTLY FROM CITIZENS OF THIS  
30 COMMONWEALTH, WHICH ARE GOING TO THE FEDERAL GOVERNMENT UNDER

1 THE PATIENT PROTECTION AND AFFORDABLE CARE ACT (PUBLIC LAW 111-  
2 148, 124 STAT. 119), GENERATE SERVICES TO THE CITIZENS OF THIS  
3 COMMONWEALTH IN PROPORTION TO THAT SIGNIFICANT INVESTMENT.

4 (C) RECOGNITION AND FURTHERANCE OF THE OBJECTIVES SET FORTH  
5 UNDER SUBSECTION (A) ARE ESSENTIAL AS THE COMMONWEALTH  
6 VIGOROUSLY PURSUES ITS DISCUSSIONS WITH THE UNITED STATES  
7 DEPARTMENT OF HEALTH AND HUMAN SERVICES TO DEVELOP AND IMPLEMENT  
8 AN AGREEMENT WITH THE SECRETARY OF THE UNITED STATES DEPARTMENT  
9 OF HEALTH AND HUMAN SERVICES TO EXPAND ELIGIBILITY TO PERSONS  
10 DESCRIBED UNDER SECTION 1902(A)(10)(A)(I)(VIII) OF THE SOCIAL  
11 SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1396A(A)(10)(A)(I)  
12 (VIII)), NO LATER THAN JULY 1, 2014. THE DEPARTMENT SHALL SUBMIT  
13 AN APPLICATION FOR AN ENHANCED MEDICAL SERVICES DELIVERY SYSTEM  
14 TO THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR  
15 REVIEW NO LATER THAN OCTOBER 1, 2013. THE DEPARTMENT SHALL  
16 SUBMIT A REVISED STATE PLAN OR WAIVER IF REQUIRED TO IMPLEMENT  
17 AN EXPANSION OF ELIGIBILITY UNDER THIS SUBSECTION.

18 (D) THIS SECTION AND THE AUTHORITY TO EXPAND ELIGIBILITY  
19 UNDER AN ENHANCED MEDICAL SERVICES DELIVERY SYSTEM SHALL CEASE  
20 IF THE FEDERAL MEDICAL ASSISTANCE PERCENTAGE UNDER SECTION  
21 1905(Y) OF THE SOCIAL SECURITY ACT (42 U.S.C. § 1396D(Y)) IS  
22 LESS THAN THE FOLLOWING:

23 (1) ONE HUNDRED PERCENT FOR CALENDAR QUARTERS IN 2014, 2015  
24 AND 2016.

25 (2) NINETY-FIVE PERCENT FOR CALENDAR QUARTERS IN 2017.

26 (3) NINETY-FOUR PERCENT FOR CALENDAR QUARTERS IN 2018.

27 (4) NINETY-THREE PERCENT FOR CALENDAR QUARTERS IN 2019.

28 (5) NINETY PERCENT FOR CALENDAR QUARTERS IN 2020 AND EACH  
29 YEAR THEREAFTER.

30 (E) COMMENCING IN FISCAL YEAR 2019-2020, CONTINUED

1 PARTICIPATION BY RECIPIENTS IN AN ENHANCED MEDICAL SERVICES  
2 DELIVERY SYSTEM SHALL BE CONDITIONED ON THE OPTIONS OF INCREASED  
3 COST-SHARING OR THE PURCHASE OF COVERAGE WITH FEDERAL SUBSIDIES  
4 THROUGH THE EXCHANGE.

5 (F) THE GENERAL ASSEMBLY FINDS AND DECLARES AS FOLLOWS:

6 (1) THE COMMONWEALTH HAS INITIATED TRANSFORMATIVE CHANGES IN  
7 THE MEDICAL ASSISTANCE HEALTH CARE DELIVERY SYSTEM THROUGH THE  
8 EXPANSIVE USE OF MANAGED CARE; ALIGNMENT OF PAYMENT INCENTIVES;  
9 RECOGNITION OF THE NEED FOR RURAL, UNDERSERVED AND COMMUNITY-  
10 BASED HEALTH CARE ACCESS; SUPPORT OF COMMUNITY-BASED HEALTH CARE  
11 CENTERS; MULTIFACETED INITIATIVES TO REDUCE WASTE, FRAUD AND  
12 ABUSE; TARGETED RESOURCES FOR THE DELIVERY OF CHRONIC CARE; AND  
13 THE ESTABLISHMENT OF MEDICAL HOMES. THE COMMONWEALTH IS ALSO  
14 KNOWN FOR ITS NATIONALLY RECOGNIZED PROGRAMS TO PROMOTE PATIENT  
15 SAFETY AND THE USE OF ELECTRONIC MEDICAL RECORDS, TO REDUCE  
16 HEALTH CARE INFECTIONS AND TO ADVANCE MEDICAL, TECHNOLOGICAL AND  
17 BIOLOGICAL RESEARCH, WHICH COLLECTIVELY HAVE CONTRIBUTED TO  
18 ADVANCES IN THE CARE, TREATMENT AND CURE OF MEDICAL DISEASE.

19 (2) THE COMMONWEALTH ESTABLISHED THE PACE AND PACENET  
20 PROGRAMS TO PROVIDE AFFORDABLE PHARMACEUTICAL DRUGS FOR OUR  
21 SENIORS, WHICH BECAME MODEL PROGRAMS FOR THE NATION.

22 (3) THE COMMONWEALTH CREATED THE INNOVATIVE CHILDREN'S  
23 HEALTH INSURANCE PROGRAM, WHICH ALSO BECAME A MODEL FOR THE  
24 NATION BY PROVIDING ACCESS TO COMPREHENSIVE HEALTH CARE SERVICES  
25 FOR CHILDREN ACROSS THIS COMMONWEALTH AND IS A VITAL PROGRAM  
26 THAT SHOULD BE PRESERVED.

27 (4) IN 2001, THE COMMONWEALTH ESTABLISHED A NONENTITLEMENT  
28 PROGRAM KNOWN AS ADULTBASIC FOR THE PURPOSE OF PROVIDING HEALTH  
29 CARE INSURANCE COVERAGE TO ELIGIBLE ADULTS NOT OTHERWISE  
30 ELIGIBLE FOR MEDICAL ASSISTANCE, INITIALLY USING FUNDS AVAILABLE

1 THROUGH THE ACT OF JUNE 26, 2001 (P.L.755, NO.77), KNOWN AS THE  
2 TOBACCO SETTLEMENT ACT. ANY AGREEMENT BETWEEN THE COMMONWEALTH  
3 AND THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES ON  
4 THE ESTABLISHMENT OF AN ENHANCED MEDICAL ASSISTANCE DELIVERY  
5 SYSTEM WILL SERVE TO ADVANCE THESE SAME INTERESTS.

6 (5) COMMONWEALTH TAXPAYERS CURRENTLY PROVIDE PUBLICLY  
7 SUBSIDIZED HEALTH CARE FOR NEARLY 2,400,000 THOUSAND CITIZENS OF  
8 THIS COMMONWEALTH, OR ALMOST 19% OF THE TOTAL POPULATION OF THIS  
9 COMMONWEALTH, WHICH INCLUDES COVERAGE FOR A BROAD ARRAY OF  
10 MANDATORY AND OPTIONAL HEALTH CARE BENEFITS.

11 SECTION 3. SECTION 443.1 (1.1) (I), (1.4) AND (7) (IV) OF THE  
12 ACT, AMENDED OR ADDED JUNE 30, 2011 (P.L.89, NO.22), ARE  
13 AMENDED, PARAGRAPH (7) IS AMENDED BY ADDING A SUBPARAGRAPH AND  
14 THE SECTION IS AMENDED BY ADDING A PARAGRAPH TO READ:

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

19 \* \* \*

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

26 (I) IF THE COMMONWEALTH'S APPROVED TITLE XIX STATE PLAN FOR  
27 INPATIENT HOSPITAL SERVICES IN EFFECT FOR THE PERIOD OF JULY 1,  
28 2010, THROUGH JUNE 30, [2013] 2016, SPECIFIES A METHODOLOGY FOR  
29 CALCULATING PAYMENTS THAT IS DIFFERENT FROM THE DEPARTMENT'S  
30 REGULATIONS OR AUTHORIZES ADDITIONAL PAYMENTS NOT SPECIFIED IN

1 THE DEPARTMENT'S REGULATIONS, SUCH AS INPATIENT DISPROPORTIONATE  
2 SHARE PAYMENTS AND DIRECT MEDICAL EDUCATION PAYMENTS, THE  
3 DEPARTMENT SHALL FOLLOW THE METHODOLOGY OR MAKE THE ADDITIONAL  
4 PAYMENTS AS SPECIFIED IN THE APPROVED TITLE XIX STATE PLAN.

5 \* \* \*

6 (1.4) SUBJECT TO SECTION 813-G, FOR INPATIENT HOSPITAL  
7 SERVICES PROVIDED UNDER THE PHYSICAL HEALTH MEDICAL ASSISTANCE  
8 MANAGED CARE PROGRAM DURING STATE FISCAL [YEAR] YEARS 2012-2013,  
9 2013-2014, 2014-2015 AND 2015-2016, THE FOLLOWING SHALL APPLY:

10 (A) THE DEPARTMENT MAY ADJUST ITS CAPITATION PAYMENTS TO  
11 MEDICAL ASSISTANCE MANAGED CARE ORGANIZATIONS TO PROVIDE  
12 ADDITIONAL FUNDS FOR INPATIENT HOSPITAL SERVICES.

13 (B) FOR AN OUT-OF-NETWORK INPATIENT DISCHARGE OF A RECIPIENT  
14 ENROLLED IN A MEDICAL ASSISTANCE MANAGED CARE ORGANIZATION THAT  
15 OCCURS IN STATE FISCAL YEAR 2012-2013, 2013-2014, 2014-2015 OR  
16 2015-2016, THE MEDICAL ASSISTANCE MANAGED CARE ORGANIZATION  
17 SHALL PAY, AND THE HOSPITAL SHALL ACCEPT AS PAYMENT IN FULL, THE  
18 AMOUNT THAT THE DEPARTMENT'S FEE-FOR-SERVICE PROGRAM WOULD HAVE  
19 PAID FOR THE DISCHARGE IF THE RECIPIENT [WERE] WAS ENROLLED IN  
20 THE DEPARTMENT'S FEE-FOR-SERVICE PROGRAM.

21 (C) NOTHING IN THIS PARAGRAPH SHALL PROHIBIT AN INPATIENT  
22 ACUTE CARE HOSPITAL AND A MEDICAL ASSISTANCE MANAGED CARE  
23 ORGANIZATION FROM EXECUTING A NEW PARTICIPATION AGREEMENT OR  
24 AMENDING AN EXISTING PARTICIPATION AGREEMENT ON OR AFTER JULY 1,  
25 2013.

26 \* \* \*

27 (1.6) NOTWITHSTANDING ANY OTHER PROVISION OF LAW OR  
28 DEPARTMENTAL REGULATION TO THE CONTRARY, THE DEPARTMENT SHALL  
29 MAKE SEPARATE FEE-FOR-SERVICE APR-DRG PAYMENTS FOR MEDICALLY  
30 NECESSARY INPATIENT ACUTE CARE GENERAL HOSPITAL SERVICES

1 PROVIDED FOR NORMAL NEWBORN CARE AND FOR MOTHERS' OBSTETRICAL  
2 DELIVERY.

3 \* \* \*

4 (7) AFTER JUNE 30, 2007, PAYMENTS TO COUNTY AND NONPUBLIC  
5 NURSING FACILITIES ENROLLED IN THE MEDICAL ASSISTANCE PROGRAM AS  
6 PROVIDERS OF NURSING FACILITY SERVICES SHALL BE DETERMINED IN  
7 ACCORDANCE WITH THE METHODOLOGIES FOR ESTABLISHING PAYMENT RATES  
8 FOR COUNTY AND NONPUBLIC NURSING FACILITIES SPECIFIED IN THE  
9 DEPARTMENT'S REGULATIONS AND THE COMMONWEALTH'S APPROVED TITLE  
10 XIX STATE PLAN FOR NURSING FACILITY SERVICES IN EFFECT AFTER  
11 JUNE 30, 2007. THE FOLLOWING SHALL APPLY:

12 \* \* \*

13 (IV) SUBJECT TO FEDERAL APPROVAL OF SUCH AMENDMENTS AS MAY  
14 BE NECESSARY TO THE COMMONWEALTH'S APPROVED TITLE XIX STATE  
15 PLAN, FOR EACH FISCAL YEAR BEGINNING ON OR AFTER JULY 1, 2011,  
16 THE DEPARTMENT SHALL APPLY A REVENUE ADJUSTMENT NEUTRALITY  
17 FACTOR TO COUNTY AND NONPUBLIC NURSING FACILITY PAYMENT RATES SO  
18 THAT THE ESTIMATED STATEWIDE DAY-WEIGHTED AVERAGE PAYMENT RATE  
19 IN EFFECT FOR THAT FISCAL YEAR IS LIMITED TO THE AMOUNT  
20 PERMITTED BY THE FUNDS APPROPRIATED BY THE GENERAL APPROPRIATION  
21 ACT FOR THE FISCAL YEAR. THE REVENUE ADJUSTMENT NEUTRALITY  
22 FACTOR SHALL REMAIN IN EFFECT UNTIL THE SOONER OF JUNE 30,  
23 [2013] 2016, OR THE DATE ON WHICH A NEW RATE-SETTING METHODOLOGY  
24 FOR MEDICAL ASSISTANCE NURSING FACILITY SERVICES WHICH REPLACES  
25 THE RATE-SETTING METHODOLOGY CODIFIED IN 55 PA. CODE CHS. 1187  
26 (RELATING TO NURSING FACILITY SERVICES) AND 1189 (RELATING TO  
27 COUNTY NURSING FACILITY SERVICES) TAKES EFFECT.

28 (V) SUBJECT TO FEDERAL APPROVAL OF SUCH AMENDMENTS AS MAY BE  
29 NECESSARY TO THE COMMONWEALTH'S APPROVED TITLE XIX STATE PLAN,  
30 FOR FISCAL YEAR 2013-2014, THE DEPARTMENT SHALL MAKE QUARTERLY

1 MEDICAL ASSISTANCE DAY ONE INCENTIVE PAYMENTS TO QUALIFIED  
2 NONPUBLIC NURSING FACILITIES. THE DEPARTMENT SHALL DETERMINE THE  
3 NONPUBLIC NURSING FACILITIES THAT QUALIFY FOR THE QUARTERLY  
4 MEDICAL ASSISTANCE DAY ONE INCENTIVE PAYMENTS AND CALCULATE THE  
5 PAYMENTS USING THE TOTAL PENNSYLVANIA MEDICAL ASSISTANCE (PA MA)  
6 DAYS AND TOTAL RESIDENT DAYS AS REPORTED BY NONPUBLIC NURSING  
7 FACILITIES UNDER ARTICLE VIII-A (RELATING TO NURSING FACILITY  
8 ASSESSMENTS). THE DEPARTMENT'S DETERMINATION AND CALCULATIONS  
9 UNDER THIS SUBPARAGRAPH SHALL BE BASED ON THE NURSING FACILITY  
10 ASSESSMENT QUARTERLY RESIDENT DAY REPORTING FORMS AVAILABLE ON  
11 OCTOBER 31, JANUARY 31, APRIL 30 AND JULY 31. THE DEPARTMENT  
12 SHALL NOT RETROACTIVELY REVISE A MEDICAL ASSISTANCE DAY ONE  
13 INCENTIVE PAYMENT AMOUNT BASED ON A NURSING FACILITY'S LATE  
14 SUBMISSION OR REVISION OF ITS REPORT AFTER THESE DATES. THE  
15 DEPARTMENT, HOWEVER, MAY RECOUP PAYMENTS BASED ON AN AUDIT OF A  
16 NURSING FACILITY'S REPORT. THE FOLLOWING SHALL APPLY:

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

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

28 (II) THE NURSING FACILITY SHALL HAVE A MEDICAL ASSISTANCE  
29 OCCUPANCY RATE OF AT LEAST SIXTY-FIVE PERCENT DURING THE  
30 RESIDENT DAY QUARTER. FOR PURPOSES OF DETERMINING A NURSING

1 FACILITY'S MEDICAL ASSISTANCE OCCUPANCY RATE, THE NURSING  
2 FACILITY'S TOTAL PA MA DAYS SHALL BE DIVIDED BY THE NURSING  
3 FACILITY'S TOTAL RESIDENT DAYS, AS REPORTED BY THE FACILITY  
4 UNDER ARTICLE VIII-A.

5 (III) THE NURSING FACILITY SHALL BE A NONPUBLIC NURSING  
6 FACILITY FOR A FULL RESIDENT DAY QUARTER PRIOR TO THE APPLICABLE  
7 QUARTERLY REPORTING DUE DATES OF OCTOBER 31, JANUARY 31, APRIL  
8 30 AND JULY 31.

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

12 (I) THE TOTAL FUNDS APPROPRIATED FOR PAYMENTS UNDER THIS  
13 SUBPARAGRAPH SHALL BE DIVIDED BY FOUR.

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

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

23 (C) FOR FISCAL YEAR 2013-2014, THE STATE FUNDS AVAILABLE FOR  
24 THE NONPUBLIC NURSING FACILITY MEDICAL ASSISTANCE DAY ONE  
25 INCENTIVE PAYMENTS SHALL EQUAL SEVEN MILLION DOLLARS  
26 (\$7,000,000).

27 \* \* \*

28 SECTION 4. SECTION 454(A) OF THE ACT, AMENDED JUNE 30, 2011  
29 (P.L.89, NO.22), IS AMENDED TO READ:

30 SECTION 454. MEDICAL ASSISTANCE BENEFIT PACKAGES; COVERAGE,

1 COPAYMENTS, PREMIUMS AND RATES.-- (A) NOTWITHSTANDING ANY OTHER  
2 PROVISION OF LAW TO THE CONTRARY, THE DEPARTMENT SHALL  
3 PROMULGATE REGULATIONS AS PROVIDED IN SUBSECTION (B) TO  
4 ESTABLISH PROVIDER PAYMENT RATES; THE BENEFIT PACKAGES AND ANY  
5 COPAYMENTS FOR ADULTS ELIGIBLE FOR MEDICAL ASSISTANCE UNDER  
6 TITLE XIX OF THE SOCIAL SECURITY ACT (49 STAT 620, 42 U.S.C. §  
7 1396 ET SEQ.) AND ADULTS ELIGIBLE FOR MEDICAL ASSISTANCE IN  
8 GENERAL ASSISTANCE-RELATED CATEGORIES; AND THE PREMIUM OR  
9 COPAYMENT REQUIREMENTS FOR DISABLED CHILDREN WHOSE FAMILY INCOME  
10 IS ABOVE TWO HUNDRED PERCENT OF THE FEDERAL POVERTY INCOME  
11 LIMIT. SUBJECT TO SUCH FEDERAL APPROVAL AS MAY BE NECESSARY, THE  
12 REGULATIONS SHALL AUTHORIZE AND DESCRIBE THE AVAILABLE BENEFIT  
13 PACKAGES AND ANY COPAYMENTS AND PREMIUMS, EXCEPT THAT THE  
14 DEPARTMENT SHALL SET FORTH THE COPAYMENT AND PREMIUM SCHEDULE  
15 FOR DISABLED CHILDREN WHOSE FAMILY INCOME IS ABOVE TWO HUNDRED  
16 PERCENT OF THE FEDERAL POVERTY INCOME LIMIT BY PUBLISHING A  
17 NOTICE IN THE PENNSYLVANIA BULLETIN. THE DEPARTMENT MAY ADJUST  
18 SUCH COPAYMENTS AND PREMIUMS FOR DISABLED CHILDREN BY NOTICE  
19 PUBLISHED IN THE PENNSYLVANIA BULLETIN. THE REGULATIONS SHALL  
20 ALSO SPECIFY THE EFFECTIVE DATE FOR PROVIDER PAYMENT RATES.

21 \* \* \*

22 SECTION 5. SECTION 704.1(G) OF THE ACT, ADDED JULY 9, 1976  
23 (P.L.846, NO.148), IS AMENDED AND THE SECTION IS AMENDED BY  
24 ADDING SUBSECTIONS TO READ:

25 SECTION 704.1. PAYMENTS TO COUNTIES FOR SERVICES TO  
26 CHILDREN.--\* \* \*

27 (G) THE DEPARTMENT SHALL[, WITHIN FORTY-FIVE DAYS OF EACH  
28 CALENDAR QUARTER, PAY FIFTY PERCENT OF THE DEPARTMENT'S SHARE OF  
29 THE COUNTY INSTITUTION DISTRICT'S OR ITS SUCCESSOR'S ESTIMATED  
30 EXPENDITURES FOR THAT QUARTER.] PROCESS PAYMENTS TO EACH COUNTY

1 PURSUANT TO THIS ARTICLE FROM FUNDS APPROPRIATED BY THE GENERAL  
2 ASSEMBLY FOR EACH FISCAL YEAR, WITHIN 15 DAYS OF PASSAGE OF THE  
3 GENERAL APPROPRIATION BILL OR BY A DATE SPECIFIED UNDER  
4 PARAGRAPHS (1), (2), (3), (4) OR (5), WHICHEVER IS LATER. THE  
5 DEPARTMENT SHALL PROCESS THE FOLLOWING APPLICABLE PAYMENTS TO  
6 THE COUNTY:

7 (1) BY JULY 15, TWENTY-FIVE PERCENT OF THE AMOUNT OF STATE  
8 FUNDS ALLOCATED TO THE COUNTY UNDER SECTION 709.3.

9 (2) BY AUGUST 31, OR UPON APPROVAL BY THE DEPARTMENT OF THE  
10 COUNTY'S FINAL CUMULATIVE REPORT FOR ITS EXPENDITURES FOR THE  
11 PRIOR FISCAL YEAR, WHICHEVER IS LATER, TWENTY-FIVE PERCENT OF  
12 THE AMOUNT OF STATE FUNDS ALLOCATED TO THE COUNTY UNDER SECTION  
13 709.3, REDUCED BY THE AMOUNT OF AGGREGATE UNSPENT STATE FUNDS  
14 PROVIDED TO THE COUNTY DURING THE PREVIOUS FISCAL YEAR.

15 (3) BY NOVEMBER 30, OR UPON APPROVAL BY THE DEPARTMENT OF  
16 THE COUNTY'S REPORT FOR ITS EXPENDITURES FOR THE FIRST QUARTER  
17 OF THE FISCAL YEAR, WHICHEVER IS LATER, TWENTY-FIVE PERCENT OF  
18 THE AMOUNT OF STATE FUNDS ALLOCATED TO THE COUNTY UNDER SECTION  
19 709.3, REDUCED BY THE AMOUNT OF UNSPENT STATE FUNDS ALREADY  
20 PROVIDED TO THE COUNTY FOR THE FIRST QUARTER OF THE FISCAL YEAR.

21 (4) BY FEBRUARY 28, OR UPON APPROVAL BY THE DEPARTMENT OF  
22 THE COUNTY'S REPORT FOR ITS EXPENDITURES FOR THE SECOND QUARTER  
23 OF THE FISCAL YEAR, WHICHEVER IS LATER, TWELVE AND FIVE-TENTHS  
24 PERCENT OF THE AMOUNT OF STATE FUNDS ALLOCATED TO THE COUNTY  
25 UNDER SECTION 709.3, ADJUSTED BY THE AMOUNT OF OVERSPENDING OR  
26 UNDERSPENDING OF STATE FUNDS IN THE PREVIOUS QUARTERS, BUT NOT  
27 TO EXCEED EIGHTY-SEVEN AND FIVE-TENTHS PERCENT OF THE COUNTY'S  
28 APPROVED STATE ALLOCATION.

29 (5) UPON APPROVAL BY THE DEPARTMENT OF THE COUNTY'S FINAL  
30 CUMULATIVE REPORT FOR ITS EXPENDITURES FOR THE FISCAL YEAR,

1 TWELVE AND FIVE-TENTHS PERCENT OF THE AMOUNT OF STATE FUNDS  
2 ALLOCATED TO THE COUNTY UNDER SECTION 709.3, ADJUSTED BY THE  
3 AMOUNT OF OVERSPENDING OR UNDERSPENDING OF STATE FUNDS IN THE  
4 PREVIOUS QUARTERS.

5 (G.1) AFTER THE FINAL CUMULATIVE REPORT FOR EXPENDITURES HAS  
6 BEEN APPROVED, IF A COUNTY HAS ADJUSTMENTS TO REVENUES OR  
7 EXPENDITURES FOR THE TIME PERIOD COVERED BY THE EXPENDITURE  
8 REPORT IN ADDITION TO THE PAYMENTS UNDER SUBSECTION (G), THE  
9 COUNTY SHALL SUBMIT TO THE DEPARTMENT A REVISED EXPENDITURE  
10 REPORT. AFTER THE REPORT IS APPROVED, THE DEPARTMENT MAY ADJUST  
11 ANY PAYMENT UNDER SUBSECTION (G) TO ACCOUNT FOR ANY REVISION TO  
12 A COUNTY'S EXPENDITURE REPORT.

13 (G.2) SERVICE CONTRACTS OR AGREEMENTS SHALL INCLUDE A TIMELY  
14 PAYMENT PROVISION THAT REQUIRES COUNTIES TO MAKE PAYMENT TO  
15 SERVICE PROVIDERS WITHIN THIRTY DAYS OF THE COUNTY'S RECEIPT OF  
16 AN INVOICE UNDER BOTH OF THE FOLLOWING CONDITIONS:

17 (1) THE INVOICE SATISFIES THE COUNTY'S REQUIREMENTS FOR A  
18 COMPLETE AND ACCURATE INVOICE.

19 (2) FUNDS HAVE BEEN APPROPRIATED TO THE DEPARTMENT FOR  
20 PAYMENTS TO COUNTIES UNDER SUBSECTION (G).

21 \* \* \*

22 SECTION 6. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

23 SECTION 704.3. PROVIDER SUBMISSIONS.--(A) FOR FISCAL YEAR  
24 2013-2014, A PROVIDER SHALL SUBMIT DOCUMENTATION OF ITS COSTS OF  
25 PROVIDING SERVICES AND THE DEPARTMENT SHALL USE SUCH  
26 DOCUMENTATION, TO THE EXTENT NECESSARY, TO SUPPORT THE  
27 DEPARTMENT'S CLAIM FOR FEDERAL FUNDING AND FOR STATE  
28 REIMBURSEMENT FOR ALLOWABLE DIRECT AND INDIRECT COSTS INCURRED  
29 IN THE PROVISION OF OUT-OF-HOME PLACEMENT SERVICES.

30 (B) THE DEPARTMENT SHALL CONVENE A TASK FORCE TO INCLUDE

1 REPRESENTATIVES FROM PUBLIC AND PRIVATE CHILDREN AND YOUTH  
2 SOCIAL SERVICE AGENCIES AND OTHER APPROPRIATE STAKEHOLDERS AS  
3 DETERMINED BY THE SECRETARY OR DEPUTY SECRETARY FOR THE OFFICE  
4 OF CHILDREN, YOUTH AND FAMILIES.

5 (C) THE TASK FORCE ESTABLISHED UNDER SUBSECTION (B) SHALL  
6 DEVELOP RECOMMENDATIONS FOR A METHODOLOGY TO DETERMINE  
7 REIMBURSEMENT FOR ACTUAL AND PROJECTED COSTS, WHICH ARE  
8 REASONABLE AND ALLOWABLE, FOR THE PURCHASE OF SERVICES FROM  
9 PROVIDERS AND FOR OTHER PURCHASED SERVICES. THE TASK FORCE SHALL  
10 PROVIDE WRITTEN RECOMMENDATIONS FOR THE PURCHASE OF SERVICES  
11 FROM PROVIDERS TO THE GENERAL ASSEMBLY NO LATER THAN APRIL 30,  
12 2014. THE TASK FORCE SHALL PROVIDE WRITTEN RECOMMENDATIONS FOR  
13 OTHER PURCHASED SERVICES NO LATER THAN DECEMBER 31, 2014. THE  
14 TASK FORCE SHALL BE CONVENED WITHIN SIXTY DAYS AFTER THE  
15 EFFECTIVE DATE OF THIS SECTION.

16 (D) AS USED IN THIS SECTION, THE TERM "PROVIDER" MEANS AN  
17 ENTITY LICENSED OR CERTIFIED TO PROVIDE TWENTY-FOUR-HOUR OUT-OF-  
18 HOME COMMUNITY-BASED OR INSTITUTIONAL CARE AND SUPERVISION OF A  
19 CHILD, WITH THE CARE AND SUPERVISION BEING PAID FOR OR PROVIDED  
20 BY A COUNTY USING FEDERAL OR STATE FUNDS DISBURSED UNDER THIS  
21 ARTICLE.

22 SECTION 7. THE HEADING OF ARTICLE VIII-C OF THE ACT, ADDED  
23 JULY 4, 2004 (P.L.528, NO.69) IS AMENDED TO READ:

24 ARTICLE VIII-C

25 INTERMEDIATE CARE FACILITIES FOR [MENTALLY RETARDED] PERSONS

26 WITH AN INTELLECTUAL DISABILITY

27 ASSESSMENTS

28 SECTION 8. SECTIONS 801-C, 802-C, 803-C, 804-C, 805-C, 806-  
29 C, 807-C, 808-C, 809-C AND 810-C OF THE ACT, ADDED JULY 4, 2004  
30 (P.L.528, NO.69), ARE AMENDED TO READ:

1 SECTION 801-C. DEFINITIONS.

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

5 "ASSESSMENT." THE FEE IMPLEMENTED PURSUANT TO THIS ARTICLE  
6 ON EVERY INTERMEDIATE CARE FACILITY FOR [MENTALLY RETARDED]  
7 PERSONS WITH AN INTELLECTUAL DISABILITY.

8 "DEPARTMENT." THE DEPARTMENT OF PUBLIC WELFARE OF THE  
9 COMMONWEALTH.

10 "INTERMEDIATE CARE FACILITY FOR [MENTALLY RETARDED] PERSONS  
11 WITH AN INTELLECTUAL DISABILITY" OR "[ICF/MR] ICF/ID." A PUBLIC  
12 OR PRIVATE FACILITY DEFINED IN SECTION 1905 OF THE SOCIAL  
13 SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1905).

14 "MEDICAID." THE PROGRAM ESTABLISHED UNDER TITLE XIX OF THE  
15 SOCIAL SECURITY ACT (49 STAT. 620, 42 U.S.C. § 1396 ET SEQ.).

16 "MEDICAL ASSISTANCE PROGRAM" OR "PROGRAM." THE MEDICAL  
17 ASSISTANCE PROGRAM AS ADMINISTERED BY THE DEPARTMENT OF PUBLIC  
18 WELFARE.

19 "SECRETARY." THE SECRETARY OF PUBLIC WELFARE OF THE  
20 COMMONWEALTH.

21 "SOCIAL SECURITY ACT." 49 STAT. 620, 42 U.S.C. § 301 ET SEQ.  
22 SECTION 802-C. AUTHORIZATION.

23 IN ORDER TO GENERATE ADDITIONAL REVENUES FOR MEDICAL  
24 ASSISTANCE PROGRAM RECIPIENTS TO HAVE ACCESS TO MEDICALLY  
25 NECESSARY [MENTAL RETARDATION] INTELLECTUAL DISABILITY SERVICES,  
26 THE DEPARTMENT SHALL IMPLEMENT A MONETARY ASSESSMENT ON EACH  
27 [ICF/MR] ICF/ID SUBJECT TO THE CONDITIONS AND REQUIREMENTS  
28 SPECIFIED IN THIS ARTICLE.

29 SECTION 803-C. IMPLEMENTATION.

30 THE [ICF/MR] ICF/ID ASSESSMENTS SHALL BE IMPLEMENTED ON AN

1 ANNUAL BASIS AS A HEALTH CARE-RELATED TAX AS DEFINED IN SECTION  
2 1903(W) (3) (B) OF THE SOCIAL SECURITY ACT, OR ANY AMENDMENTS  
3 THERETO, AND MAY BE IMPOSED AND IS REQUIRED TO BE PAID ONLY TO  
4 THE EXTENT THAT THE REVENUES GENERATED FROM THE ASSESSMENT WILL  
5 QUALIFY AS THE STATE SHARE OF PROGRAM EXPENDITURES ELIGIBLE FOR  
6 FEDERAL FINANCIAL PARTICIPATION.

7 SECTION 804-C. AMOUNT.

8 THE ASSESSMENT RATE SHALL BE DETERMINED IN ACCORDANCE WITH  
9 THIS ARTICLE AND IMPLEMENTED ON AN ANNUAL BASIS BY THE  
10 DEPARTMENT, AS APPROVED BY THE GOVERNOR, UPON NOTIFICATION TO  
11 AND IN CONSULTATION WITH THE [ICFS/MR] ICFS/ID. IN EACH YEAR IN  
12 WHICH THE ASSESSMENT IS IMPLEMENTED, THE ASSESSMENT RATE SHALL  
13 EQUAL THE AMOUNT ESTABLISHED BY THE DEPARTMENT SUBJECT TO THE  
14 MAXIMUM AGGREGATE AMOUNT THAT MAY BE ASSESSED PURSUANT TO THE 6%  
15 INDIRECT GUARANTEE THRESHOLD SET FORTH IN 42 CFR 433.68(F) (3) (I)  
16 (RELATING TO PERMISSIBLE HEALTH CARE-RELATED TAXES [AFTER THE  
17 TRANSITION PERIOD]) OR ANY OTHER MAXIMUM AGGREGATE AMOUNT  
18 ESTABLISHED BY LAW.

19 SECTION 805-C. ADMINISTRATION.

20 (A) NOTICE OF ASSESSMENT.--THE SECRETARY, BEFORE  
21 IMPLEMENTING AN ASSESSMENT IN ANY FISCAL YEAR, SHALL PUBLISH A  
22 NOTICE IN THE PENNSYLVANIA BULLETIN THAT SPECIFIES THE AMOUNT OF  
23 THE ASSESSMENT BEING PROPOSED AND AN EXPLANATION OF THE  
24 ASSESSMENT METHODOLOGY AND AMOUNT DETERMINATION THAT IDENTIFIES  
25 THE AGGREGATE IMPACT ON [ICFS/MR] ICFS/ID SUBJECT TO THE  
26 ASSESSMENT. INTERESTED PARTIES SHALL HAVE 30 DAYS IN WHICH TO  
27 SUBMIT COMMENTS TO THE SECRETARY. UPON EXPIRATION OF THE 30-DAY  
28 COMMENT PERIOD, THE SECRETARY, AFTER CONSIDERATION OF THE  
29 COMMENTS, SHALL PUBLISH A SECOND NOTICE IN THE PENNSYLVANIA  
30 BULLETIN ANNOUNCING THE RATE OF THE ASSESSMENT.

1 (B) REVIEW OF ASSESSMENT.--EXCEPT AS PERMITTED UNDER SECTION  
2 809-C, THE SECRETARY'S DETERMINATION OF THE AGGREGATE AMOUNT AND  
3 THE RATE OF THE ASSESSMENT PURSUANT TO SUBSECTION (A) SHALL NOT  
4 BE SUBJECT TO ADMINISTRATIVE OR JUDICIAL REVIEW UNDER 2 PA.C.S.  
5 CHS. 5 SUBCH. A (RELATING TO PRACTICE AND PROCEDURE OF  
6 COMMONWEALTH AGENCIES) AND 7 SUBCH. A (RELATING TO JUDICIAL  
7 REVIEW OF COMMONWEALTH AGENCY ACTION) OR ANY OTHER PROVISION OF  
8 LAW. NO ASSESSMENT IMPLEMENTED UNDER THIS ARTICLE NOR FORMS OR  
9 REPORTS REQUIRED TO BE COMPLETED BY [ICFS/MR] ICFS/ID PURSUANT  
10 TO THIS ARTICLE SHALL BE SUBJECT TO THE ACT OF JULY 31, 1968  
11 (P.L.769, NO.240), REFERRED TO AS THE COMMONWEALTH DOCUMENTS  
12 LAW, THE ACT OF OCTOBER 15, 1980 (P.L.950, NO.164), KNOWN AS THE  
13 COMMONWEALTH ATTORNEYS ACT, OR THE ACT OF JUNE 25, 1982  
14 (P.L.633, NO.181), KNOWN AS THE REGULATORY REVIEW ACT.

15 SECTION 806-C. CALCULATION.

16 USING THE ASSESSMENT RATE IMPLEMENTED BY THE SECRETARY  
17 PURSUANT TO SECTION 804-C, EACH [ICF/MR] ICF/ID SHALL CALCULATE  
18 THE ASSESSMENT AMOUNTS IT OWES FOR A CALENDAR QUARTER ON A FORM  
19 SPECIFIED BY THE DEPARTMENT AND SHALL SUBMIT THE FORM AND THE  
20 AMOUNT OWED TO THE DEPARTMENT NO LATER THAN THE LAST DAY OF THAT  
21 CALENDAR QUARTER OR 30 DAYS FROM THE DATE OF THE DEPARTMENT'S  
22 SECOND NOTICE PUBLISHED PURSUANT TO SECTION 805-C(A), WHICHEVER  
23 IS LATER.

24 SECTION 807-C. PURPOSES AND USES.

25 NO [ICF/MR] ICF/ID SHALL BE DIRECTLY GUARANTEED A REPAYMENT  
26 OF ITS ASSESSMENT IN DEROGATION OF 42 CFR 433.68 (RELATING TO  
27 PERMISSIBLE HEALTH CARE-RELATED TAXES [AFTER THE TRANSITION  
28 PERIOD]), PROVIDED, HOWEVER, IN EACH FISCAL YEAR IN WHICH AN  
29 ASSESSMENT IS IMPLEMENTED, THE DEPARTMENT SHALL USE THE STATE  
30 REVENUE COLLECTED FROM THE ASSESSMENT AND ANY FEDERAL FUNDS

1 RECEIVED BY THE COMMONWEALTH AS A DIRECT RESULT OF THE  
2 ASSESSMENT TO FUND SERVICES FOR PERSONS WITH [MENTAL  
3 RETARDATION] AN INTELLECTUAL DISABILITY.

4 SECTION 808-C. RECORDS.

5 UPON REQUEST BY THE DEPARTMENT, AN [ICF/MR] ICF/ID SHALL  
6 FURNISH TO THE DEPARTMENT SUCH RECORDS AS THE DEPARTMENT MAY  
7 SPECIFY IN ORDER TO DETERMINE THE ASSESSMENT RATE FOR A FISCAL  
8 YEAR OR THE AMOUNT OF THE ASSESSMENT DUE FROM THE [ICF/MR]  
9 ICF/ID OR TO VERIFY THAT THE [ICF/MR] ICF/ID HAS PAID THE  
10 CORRECT AMOUNT DUE. IN THE EVENT THAT THE DEPARTMENT DETERMINES  
11 THAT AN [ICF/MR] ICF/ID HAS FAILED TO PAY AN ASSESSMENT OR THAT  
12 IT HAS UNDERPAID AN ASSESSMENT, THE DEPARTMENT SHALL NOTIFY THE  
13 [ICF/MR] ICF/ID IN WRITING OF THE AMOUNT DUE, INCLUDING  
14 INTEREST, AND THE DATE ON WHICH THE AMOUNT DUE MUST BE PAID,  
15 WHICH SHALL NOT BE LESS THAN 30 DAYS FROM THE DATE OF THE  
16 NOTICE. IN THE EVENT THAT THE DEPARTMENT DETERMINES THAT AN  
17 [ICF/MR] ICF/ID HAS OVERPAID AN ASSESSMENT, THE DEPARTMENT SHALL  
18 NOTIFY THE [ICF/MR] ICF/ID IN WRITING OF THE OVERPAYMENT AND,  
19 WITHIN 30 DAYS OF THE DATE OF THE NOTICE OF THE OVERPAYMENT,  
20 SHALL EITHER AUTHORIZE A REFUND OF THE AMOUNT OF THE OVERPAYMENT  
21 OR OFFSET THE AMOUNT OF THE OVERPAYMENT AGAINST ANY AMOUNT THAT  
22 MAY BE OWED TO THE DEPARTMENT BY THE [ICF/MR] ICF/ID.

23 SECTION 809-C. APPEAL RIGHTS.

24 AN [ICF/MR] ICF/ID THAT IS AGGRIEVED BY A DETERMINATION OF  
25 THE DEPARTMENT AS TO THE AMOUNT OF THE ASSESSMENT DUE FROM THE  
26 [ICF/MR] ICF/ID OR A REMEDY IMPOSED PURSUANT TO SECTION 810-C  
27 MAY FILE A REQUEST FOR REVIEW OF THE DECISION OF THE DEPARTMENT  
28 BY THE BUREAU OF HEARINGS AND APPEALS WITHIN THE DEPARTMENT,  
29 WHICH SHALL HAVE EXCLUSIVE JURISDICTION IN SUCH MATTERS. THE  
30 PROCEDURES AND REQUIREMENTS OF 67 PA.C.S. CH. 11 (RELATING TO

1 MEDICAL ASSISTANCE HEARINGS AND APPEALS) SHALL APPLY TO REQUESTS  
2 FOR REVIEW FILED PURSUANT TO THIS SECTION EXCEPT THAT, IN ANY  
3 SUCH REQUEST FOR REVIEW, AN [ICF/MR] ICF/ID MAY NOT CHALLENGE  
4 THE ASSESSMENT RATE DETERMINED BY THE SECRETARY, BUT ONLY  
5 WHETHER THE DEPARTMENT CORRECTLY DETERMINED THE ASSESSMENT  
6 AMOUNT DUE FROM THE [ICF/MR] ICF/ID USING THE ASSESSMENT RATE IN  
7 EFFECT FOR THE FISCAL YEAR.

8 SECTION 810-C. ENFORCEMENT.

9 IN ADDITION TO ANY OTHER REMEDY PROVIDED BY LAW, THE  
10 DEPARTMENT MAY ENFORCE THIS ARTICLE BY IMPOSING ONE OR MORE OF  
11 THE FOLLOWING REMEDIES:

12 (1) WHEN AN [ICF/MR] ICF/ID FAILS TO PAY AN ASSESSMENT  
13 OR PENALTY IN THE AMOUNT OR ON THE DATE REQUIRED BY THIS  
14 ARTICLE, THE DEPARTMENT MAY ADD INTEREST AT THE RATE PROVIDED  
15 IN SECTION 806 OF THE ACT OF APRIL 9, 1929 (P.L.343, NO.176),  
16 KNOWN AS THE FISCAL CODE, TO THE UNPAID AMOUNT OF THE  
17 ASSESSMENT OR PENALTY FROM THE DATE PRESCRIBED FOR ITS  
18 PAYMENT UNTIL THE DATE IT IS PAID.

19 (2) WHEN AN [ICF/MR] ICF/ID FAILS TO FILE A REPORT OR TO  
20 FURNISH RECORDS TO THE DEPARTMENT AS REQUIRED BY THIS  
21 ARTICLE, THE DEPARTMENT MAY IMPOSE A PENALTY AGAINST THE  
22 [ICF/MR] ICF/ID IN THE AMOUNT OF \$1,000 PER DAY FOR EACH DAY  
23 THE REPORT OR REQUIRED RECORDS ARE NOT FILED OR FURNISHED TO  
24 THE DEPARTMENT.

25 (3) WHEN AN [ICF/MR] ICF/ID FAILS TO PAY ALL OR PART OF  
26 AN ASSESSMENT OR PENALTY WITHIN 60 DAYS OF THE DATE THAT  
27 PAYMENT IS DUE, THE DEPARTMENT MAY TERMINATE THE [ICF/MR]  
28 ICF/ID FROM PARTICIPATION IN THE MEDICAL ASSISTANCE PROGRAM  
29 AND/OR DEDUCT THE UNPAID ASSESSMENT OR PENALTY AND ANY  
30 INTEREST OWED THEREON FROM ANY PAYMENTS DUE TO THE [ICF/MR]

1 ICF/ID UNTIL THE FULL AMOUNT IS RECOVERED. ANY SUCH  
2 TERMINATION OR PAYMENT DEDUCTION SHALL BE MADE ONLY AFTER  
3 WRITTEN NOTICE TO THE [ICF/MR] ICF/ID.

4 (4) THE SECRETARY MAY WAIVE ALL OR PART OF THE INTEREST  
5 OR PENALTIES ASSESSED AGAINST AN [ICF/MR] ICF/ID PURSUANT TO  
6 THIS ARTICLE FOR GOOD CAUSE AS SHOWN BY THE [ICF/MR] ICF/ID.  
7 SECTION 9. SECTION 811-C OF THE ACT, AMENDED JULY 4, 2008  
8 (P.L.557, NO.44), IS AMENDED TO READ:

9 SECTION 811-C. TIME PERIODS.

10 (A) IMPOSITION.--THE ASSESSMENT AUTHORIZED UNDER THIS  
11 ARTICLE SHALL NOT BE IMPOSED AS FOLLOWS:

12 (1) PRIOR TO JULY 1, 2003, FOR PRIVATE [ICFS/MR]  
13 ICFS/ID.

14 (2) PRIOR TO JULY 1, 2004, FOR PUBLIC [ICFS/MR] ICFS/ID.

15 (3) IN THE ABSENCE OF FEDERAL FINANCIAL PARTICIPATION AS  
16 DESCRIBED UNDER SECTION 803-C.

17 (B) CESSATION.--THE ASSESSMENT AUTHORIZED UNDER THIS ARTICLE  
18 SHALL CEASE JUNE 30, [2013] 2016, OR EARLIER, IF REQUIRED BY  
19 LAW.

20 SECTION 10. SECTION 802-E OF THE ACT IS AMENDED BY ADDING A  
21 SUBSECTION TO READ:

22 SECTION 802-E. AUTHORIZATION.

23 \* \* \*

24 (A.1) ADJUSTMENTS TO ASSESSMENT PERCENTAGE.--

25 (1) FOR STATE FISCAL YEARS BEGINNING AFTER JUNE 30,  
26 2013, AND SUBJECT TO THE ADVANCE WRITTEN APPROVAL OF THE  
27 SECRETARY AS PRESCRIBED BY THE DEPARTMENT, THE MUNICIPALITY  
28 MAY MAKE A UNIFORM ADJUSTMENT TO AN ASSESSMENT PERCENTAGE  
29 ESTABLISHED BY ORDINANCE UNDER SUBSECTION (A).

30 (2) AFTER RECEIVING WRITTEN APPROVAL UNDER PARAGRAPH (1)

1 AND BEFORE IMPLEMENTING AN ADJUSTMENT, THE MUNICIPALITY SHALL  
2 PROVIDE ADVANCE PUBLIC NOTICE. THE NOTICE SHALL SPECIFY THE  
3 PROPOSED ADJUSTED ASSESSMENT PERCENTAGE AND IDENTIFY THE  
4 AGGREGATE IMPACT ON HOSPITALS LOCATED IN THE MUNICIPALITY  
5 SUBJECT TO AN ASSESSMENT. AN INTERESTED PARTY SHALL HAVE 30  
6 DAYS IN WHICH TO SUBMIT COMMENTS TO THE MUNICIPALITY. UPON  
7 EXPIRATION OF THE 30-DAY COMMENT PERIOD, THE MUNICIPALITY,  
8 AFTER CONSIDERATION OF THE COMMENTS, SHALL PUBLISH A  
9 SUBSEQUENT NOTICE ANNOUNCING THE ADJUSTED ASSESSMENT  
10 PERCENTAGE.

11 \* \* \*

12 SECTION 11. SECTION 808-E OF THE ACT, REENACTED OCTOBER 22,  
13 2010 (P.L.829, NO.84), IS AMENDED TO READ:

14 SECTION 808-E. TIME PERIOD.

15 (A) CESSATION.--THE ASSESSMENT AUTHORIZED UNDER THIS ARTICLE  
16 SHALL CEASE JUNE 30, [2013] 2016.

17 (B) ASSESSMENT.--

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

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

25 SECTION 12. THE DEFINITION OF "NET INPATIENT REVENUE" IN  
26 SECTION 801-G OF THE ACT, AMENDED JUNE 30, 2011 (P.L.89, NO.22),  
27 IS AMENDED TO READ:

28 SECTION 801-G. DEFINITIONS.

29 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ARTICLE  
30 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE

1 CONTEXT CLEARLY INDICATES OTHERWISE:

2 \* \* \*

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

7 (1) AS IDENTIFIED IN THE HOSPITAL'S RECORDS FOR THE  
8 STATE FISCAL YEAR COMMENCING JULY 1, [2007] 2010; OR

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

12 \* \* \*

13 SECTION 13. SECTION 803-G(B) OF THE ACT, AMENDED JUNE 30,  
14 2011 (P.L.89, NO.22), IS AMENDED TO READ:

15 SECTION 803-G. IMPLEMENTATION.

16 \* \* \*

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

19 (1) FOR FISCAL YEAR 2010-2011, EACH COVERED HOSPITAL  
20 SHALL BE ASSESSED AN AMOUNT EQUAL TO 2.69% OF THE NET  
21 INPATIENT REVENUE OF THE COVERED HOSPITAL; AND

22 (2) FOR FISCAL YEARS 2011-2012 [AND] 2012-2013, 2013-  
23 2014, 2014-2015 AND 2015-2016, AN AMOUNT EQUAL TO 3.22% OF  
24 THE NET INPATIENT REVENUE OF THE COVERED HOSPITAL.

25 \* \* \*

26 SECTION 14. SECTION 804-G(A.1) OF THE ACT, AMENDED JUNE 30,  
27 2011 (P.L.89, NO.22), IS AMENDED AND THE SECTION IS AMENDED BY  
28 ADDING A SUBSECTION TO READ:

29 SECTION 804-G. ADMINISTRATION.

30 \* \* \*

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

2 (1) IF A SINGLE COVERED HOSPITAL CHANGES OWNERSHIP OR  
3 CONTROL, THE DEPARTMENT WILL CONTINUE TO CALCULATE THE  
4 ASSESSMENT AMOUNT USING THE HOSPITAL'S NET INPATIENT REVENUE  
5 FOR STATE FISCAL YEAR [2008-2009] 2010-2011 OR FOR THE MOST  
6 RECENT STATE FISCAL YEAR, OR PART THEREOF, IF THE STATE  
7 FISCAL YEAR [2008-2009] 2010-2011 AMOUNTS ARE NOT AVAILABLE.  
8 THE COVERED HOSPITAL IS LIABLE FOR ANY OUTSTANDING ASSESSMENT  
9 AMOUNTS, INCLUDING OUTSTANDING AMOUNTS RELATED TO PERIODS  
10 PRIOR TO THE CHANGE OF OWNERSHIP OR CONTROL.

11 (2) IF TWO OR MORE HOSPITALS MERGE OR CONSOLIDATE INTO A  
12 SINGLE COVERED HOSPITAL AS A RESULT OF A CHANGE IN OWNERSHIP  
13 OR CONTROL, THE DEPARTMENT WILL CALCULATE THE COVERED  
14 HOSPITAL ASSESSMENT AMOUNT USING THE COMBINED NET INPATIENT  
15 REVENUE FOR STATE FISCAL YEAR [2008-2009] 2010-2011 OR FOR  
16 THE MOST RECENT STATE FISCAL YEAR, OR PART THEREOF, IF THE  
17 STATE FISCAL YEAR [2008-2009] 2010-2011 AMOUNTS ARE NOT  
18 AVAILABLE, OF ANY COVERED HOSPITALS THAT WERE MERGED OR  
19 CONSOLIDATED INTO THE SINGLE COVERED HOSPITAL. THE SINGLE  
20 COVERED HOSPITAL IS LIABLE FOR ANY OUTSTANDING ASSESSMENT  
21 AMOUNTS, INCLUDING OUTSTANDING AMOUNTS RELATED TO PERIODS  
22 PRIOR TO THE CHANGE OF OWNERSHIP OR CONTROL, OF ANY COVERED  
23 HOSPITAL THAT WAS MERGED OR CONSOLIDATED.

24 \* \* \*

25 (A.3) CALCULATION OF ASSESSMENT FOR NEW HOSPITALS.--A  
26 HOSPITAL THAT BEGINS OPERATION AS A COVERED HOSPITAL DURING A  
27 FISCAL YEAR IN WHICH AN ASSESSMENT IS IN EFFECT SHALL BE  
28 ASSESSED AS FOLLOWS:

29 (1) DURING THE STATE FISCAL YEAR IN WHICH A COVERED  
30 HOSPITAL BEGINS OPERATION OR IN WHICH A HOSPITAL BECOMES A

1 COVERED HOSPITAL, THE COVERED HOSPITAL IS NOT SUBJECT TO THE  
2 ASSESSMENT.

3 (2) FOR THE STATE FISCAL YEAR FOLLOWING THE STATE FISCAL  
4 YEAR UNDER PARAGRAPH (1), THE DEPARTMENT SHALL CALCULATE THE  
5 HOSPITAL'S ASSESSMENT AMOUNT USING THE NET INPATIENT REVENUE  
6 FROM THE STATE FISCAL YEAR IN WHICH THE COVERED HOSPITAL  
7 BEGAN OPERATION OR BECAME A COVERED HOSPITAL.

8 (3) FOR THE STATE FISCAL YEARS FOLLOWING THE FIRST FULL  
9 STATE FISCAL YEAR UNDER PARAGRAPH (2), THE DEPARTMENT SHALL  
10 CALCULATE THE HOSPITAL'S ASSESSMENT AMOUNT USING THE NET  
11 INPATIENT REVENUE FROM THE PRIOR STATE FISCAL YEAR.

12 \* \* \*

13 SECTION 15. SECTION 805-G(A) (3) AND (B) (5) OF THE ACT,  
14 AMENDED JUNE 30, 2011 (P.L.89, NO.22), IS AMENDED AND SUBSECTION  
15 (B) IS AMENDED BY ADDING PARAGRAPHS TO READ:

16 SECTION 805-G. RESTRICTED ACCOUNT.

17 (A) ESTABLISHMENT.--THERE IS ESTABLISHED A RESTRICTED  
18 ACCOUNT, KNOWN AS THE QUALITY CARE ASSESSMENT ACCOUNT, IN THE  
19 GENERAL FUND FOR THE RECEIPT AND DEPOSIT OF REVENUES COLLECTED  
20 UNDER THIS ARTICLE. FUNDS IN THE ACCOUNT ARE APPROPRIATED TO THE  
21 DEPARTMENT FOR THE FOLLOWING:

22 \* \* \*

23 (3) ANY OTHER PURPOSE APPROVED BY THE SECRETARY FOR  
24 INPATIENT HOSPITAL, OUTPATIENT HOSPITAL AND HOSPITAL-RELATED  
25 SERVICES.

26 (B) LIMITATIONS.--

27 \* \* \*

28 (4.1) FOR STATE FISCAL YEARS 2013-2014 AND 2014-2015,  
29 THE AMOUNT USED FOR THE MEDICAL ASSISTANCE PAYMENT FOR  
30 HOSPITALS AND MEDICAL ASSISTANCE MANAGED CARE ORGANIZATIONS

1 MAY NOT EXCEED THE AGGREGATE AMOUNT OF THE ASSESSMENT FUNDS  
2 COLLECTED FOR THE YEAR LESS \$150,000,000.

3 (4.2) FOR STATE FISCAL YEAR 2015-2016, THE AMOUNT USED  
4 FOR THE MEDICAL ASSISTANCE PAYMENT FOR HOSPITALS AND MEDICAL  
5 ASSISTANCE MANAGED CARE ORGANIZATIONS MAY NOT EXCEED THE  
6 AGGREGATE AMOUNT OF THE ASSESSMENT FUNDS COLLECTED FOR THE  
7 YEAR LESS \$140,000,000.

8 (5) THE AMOUNTS RETAINED BY THE DEPARTMENT PURSUANT TO  
9 PARAGRAPHS (1), (2) [AND], (4), (4.1) AND (4.2) AND ANY  
10 ADDITIONAL AMOUNTS REMAINING IN THE RESTRICTED ACCOUNTS AFTER  
11 THE PAYMENTS DESCRIBED IN SUBSECTION (A) (1) AND (2) ARE MADE  
12 SHALL BE USED FOR PURPOSES APPROVED BY THE SECRETARY UNDER  
13 SUBSECTION (A) (3).

14 \* \* \*

15 SECTION 16. SECTION 815-G OF THE ACT, ADDED JULY 9, 2010  
16 (P.L.336, NO.49), IS AMENDED TO READ:

17 SECTION 815-G. EXPIRATION.

18 THIS ARTICLE SHALL EXPIRE JUNE 30, [2013] 2016.

19 SECTION 17. SECTION 805-H(C) OF THE ACT IS AMENDED BY ADDING  
20 A PARAGRAPH TO READ:

21 SECTION 805-H. FUNDING.

22 \* \* \*

23 (C) PAYMENT CALCULATION.--

24 \* \* \*

25 (5) FUNDS NOT USED TO MAKE PAYMENTS TO QUALIFYING  
26 HOSPITALS ACCREDITED OR SEEKING ACCREDITATION AS LEVEL III  
27 TRAUMA CENTERS SHALL BE USED TO MAKE PAYMENTS TO QUALIFYING  
28 HOSPITALS ACCREDITED AS LEVEL I AND LEVEL II TRAUMA CENTERS.

29 \* \* \*

30 SECTION 18. THE HEADING OF ARTICLE XIII OF THE ACT, ADDED

1 SEPTEMBER 30, 2003 (P.L.169, NO.25), IS AMENDED TO READ:

2 ARTICLE XIII

3 FAMILY FINDING AND KINSHIP CARE

4 Section ~~2~~ 19. Section 1301 of the act, added September 30, <--  
5 2003 (P.L.169, No.25), is amended to read:

6 Section 1301. [Scope] Legislative intent.

7 [This article relates to the Kinship Care Program.] This  
8 article is intended to ensure that family finding occurs on an  
9 ongoing basis for all children entering the child welfare  
10 system. This article is also intended to promote the use of  
11 kinship care when it is necessary to remove a child from the  
12 child's home in an effort to:

13 (1) Identify and build positive connections between the  
14 child and the child's relatives and kin.

15 (2) Support the engagement of relatives and kin in  
16 children and youth social service planning and delivery.

17 (3) Create a network of extended family support to  
18 assist in remedying the concerns that led the child to be  
19 involved with the county agency.

20 Section ~~3~~ 20. Section 1302 of the act is amended by adding <--  
21 definitions to read:

22 Section 1302. Definitions.

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

26 "Accept for service." Decide on the basis of the needs and  
27 problems of an individual to admit or receive the individual as  
28 a client of the county agency or as required by a court order  
29 entered under 42 Pa.C.S. Ch. 63 (relating to juvenile matters).

30 \* \* \*

1 "Family finding." Ongoing diligent efforts between a county  
2 agency, or its contracted providers, and relatives and kin to:

3 (1) Search for and identify adult ~~maternal and paternal~~ <--  
4 relatives and kin and engage them in children and youth  
5 social service planning and delivery.

6 (2) Gain commitment from relatives and kin to support a  
7 child or parent receiving children and youth social services.

8 \* \* \*

9 Section 4 21. The act is amended by adding sections to read: <--  
10 Section 1302.1. Family finding required.

11 Family finding shall be conducted for a child when the child  
12 is accepted for services and at least annually thereafter, until  
13 the child's involvement with the county agency is terminated or  
14 the family finding is discontinued in accordance with section  
15 1302.2.

16 Section 1302.2. Discontinuance of family finding.

17 (a) General rule.--A county agency may discontinue family  
18 finding for a child under the following circumstances:

19 (1) The child has been adjudicated dependent pursuant to  
20 42 Pa.C.S. Ch. 63 (relating to juvenile matters) and a court  
21 has made a specific determination that continued family  
22 finding no longer serves the best interests of the child or  
23 is a threat to the child's safety.

24 (2) The child is not under the jurisdiction of a court  
25 and the county agency has determined that continued family  
26 finding is a threat to the child's safety. A determination  
27 that continued family finding is a threat to the child's  
28 safety must be based on credible information about a specific  
29 safety threat, and the county agency shall document the  
30 reasons for its determination.

1       (3) The child is in a preadoptive placement, and court  
2       proceedings to adopt the child have been commenced pursuant  
3       to 23 Pa.C.S. Part III (relating to adoption).

4       (b) Resuming family finding.--Notwithstanding the provisions  
5       of subsection (a), a county agency shall resume family finding  
6       for a child if:

7           (1) the child is under the jurisdiction of a court, and  
8           the court determines that resuming family finding is best  
9           suited to the safety, protection and physical, mental and  
10          moral welfare of the child and does not pose a threat to the  
11          child's safety; or

12          (2) the child is not under the jurisdiction of a court,  
13          and THE COUNTY AGENCY DETERMINES THAT resuming family finding <--  
14          serves the best interest of the child and does not pose a  
15          threat to the child's safety.

16       ~~Section 5. Within one year of the effective date of the~~       <--  
17       ~~amendment or addition of sections 1301, 1302, 1302.1 and 1302.2~~  
18       ~~of the act, the Department of Public Welfare shall promulgate~~  
19       ~~regulations providing for the requirements of county agencies.~~

20       ~~Section 6. This act shall take effect in 60 days.~~

21       SECTION 22. SECTIONS 1402-B, 1404-B, 1405-B AND 1406-B OF       <--  
22       THE ACT, ADDED JUNE 30, 2012 (P.L.668, NO.80), ARE AMENDED TO  
23       READ:

24       SECTION 1402-B. ESTABLISHMENT OF HUMAN SERVICES BLOCK GRANT  
25               PILOT PROGRAM.

26       THE FOLLOWING SHALL APPLY TO THE HUMAN SERVICES BLOCK GRANT  
27       PILOT PROGRAM.

28       (1) THE HUMAN SERVICES BLOCK GRANT PILOT PROGRAM IS  
29       ESTABLISHED FOR THE PURPOSE OF ALLOCATING BLOCK GRANT FUNDS TO  
30       COUNTY GOVERNMENTS TO PROVIDE LOCALLY IDENTIFIED COUNTY-BASED

1 HUMAN SERVICES THAT WILL MEET THE SERVICE NEEDS OF COUNTY  
2 RESIDENTS. A COUNTY'S REQUEST TO PARTICIPATE IN THE BLOCK GRANT  
3 SHALL BE ON A FORM AND CONTAIN SUCH INFORMATION AS THE  
4 DEPARTMENT MAY PRESCRIBE.

5 (2) THE DEPARTMENT[, IN ITS DISCRETION,] MAY APPROVE A  
6 COUNTY'S REQUEST BASED ON [CRITERIA DETERMINED BY THE  
7 DEPARTMENT.] THE COUNTY'S PLAN TO PROVIDE HUMAN SERVICES AND  
8 INTEGRATE ITS HUMAN SERVICE PROGRAMS. A COUNTY WITH A HISTORY OF  
9 PARTICIPATION OR APPLICATION TO PARTICIPATE IN THE BLOCK GRANT  
10 SHALL HAVE PRIORITY OVER A COUNTY WHICH HAS NOT PREVIOUSLY  
11 APPLIED FOR THE BLOCK GRANT. THE DEPARTMENT SHALL ALSO CONSIDER  
12 DIVERSITY IN REPRESENTATION OF COUNTIES, REGARDING SUCH FACTORS  
13 AS:

14 (I) GEOGRAPHIC LOCATION.

15 (II) TOTAL POPULATION.

16 (III) URBAN, RURAL AND SUBURBAN POPULATION.

17 (IV) PROXIMITY TO A LARGE URBAN AREA.

18 (V) COUNTY CLASS.

19 (VI) FORM OF COUNTY GOVERNMENT.

20 (VII) WHETHER THE COUNTY IS PART OF A LOCAL COLLABORATIVE  
21 ARRANGEMENT.

22 (VIII) THE COUNTY'S HUMAN SERVICES ADMINISTRATIVE STRUCTURE.

23 (3) NO MORE THAN [20] 30 COUNTIES MAY PARTICIPATE IN THE  
24 BLOCK GRANT IN ANY FISCAL YEAR. A COUNTY'S PARTICIPATION IN THE  
25 BLOCK GRANT IS VOLUNTARY.

26 SECTION 1404-B. POWERS AND DUTIES OF COUNTIES.

27 THE LOCAL COUNTY OFFICIALS OF EACH COUNTY GOVERNMENT  
28 PARTICIPATING IN THE BLOCK GRANT SHALL HAVE THE POWER AND DUTY  
29 TO:

30 (1) ADMINISTER AND DISBURSE BLOCK GRANT FUNDS FOR THE

1 PROVISION OF COUNTY-BASED HUMAN SERVICES IN ACCORDANCE WITH  
2 THIS ARTICLE AND REGULATIONS PROMULGATED UNDER SECTION 1403-  
3 B(10) AND FEDERAL REQUIREMENTS.

4 (2) ESTABLISH OR MAINTAIN, IN AGREEMENT WITH ANOTHER  
5 COUNTY OR COUNTIES, LOCAL COLLABORATIVE ARRANGEMENTS FOR THE  
6 DELIVERY OF ANY COUNTY-BASED HUMAN SERVICE. COUNTIES MAY  
7 ESTABLISH NEW LOCAL COLLABORATIVE ARRANGEMENTS UNDER THIS  
8 PARAGRAPH FOR THE PROVISION OF A SPECIFIC COUNTY-BASED HUMAN  
9 SERVICE OR COUNTY-BASED HUMAN SERVICES, SUBJECT TO APPROVAL  
10 BY THE SECRETARY.

11 (3) DETERMINE AND REDETERMINE, WHEN NECESSARY, WHETHER A  
12 PERSON IS ELIGIBLE TO PARTICIPATE IN A COUNTY-BASED HUMAN  
13 SERVICE, SUBJECT TO APPEAL UNDER 2 PA.C.S. CH. 5 SUBCH. B  
14 (RELATING TO PRACTICE AND PROCEDURES OF LOCAL AGENCIES).

15 (4) SUBMIT REQUIRED REPORTS UNDER SECTION 1403-B(B) (4).

16 (5) SUBMIT TO THE DEPARTMENT AN ANNUAL HUMAN SERVICES  
17 BLOCK GRANT PILOT PLAN TO INCLUDE THE INTENDED DELIVERY OF  
18 COUNTY-BASED HUMAN SERVICES BY CLIENT POPULATION TO BE  
19 SERVED, INCLUDING A DETAILED DESCRIPTION OF HOW THE COUNTY  
20 INTENDS TO SERVE ITS RESIDENTS IN THE LEAST RESTRICTIVE  
21 SETTING APPROPRIATE TO THEIR NEEDS AND THE DISTRIBUTION AND  
22 THE PROJECTED EXPENDITURE LEVEL OF BLOCK GRANT FUNDS BY  
23 COUNTY-BASED HUMAN SERVICES ALLOCATED UNDER THIS ARTICLE IN  
24 SUCH FORM AND CONTAINING SUCH INFORMATION AS THE DEPARTMENT  
25 MAY REQUIRE. PRIOR TO SUBMITTING THE ANNUAL HUMAN SERVICES  
26 BLOCK GRANT PILOT PLAN TO THE DEPARTMENT, THE COUNTY SHALL  
27 HOLD AT LEAST TWO PUBLIC HEARINGS ON THE PLAN UNDER 65  
28 PA.C.S. CH. 7 (RELATING TO OPEN MEETINGS), WHICH SHALL  
29 INCLUDE AN OPPORTUNITY FOR INDIVIDUALS AND FAMILIES WHO  
30 RECEIVE SERVICES TO TESTIFY ABOUT THE PLAN.

1           (6) SUBMIT TO THE DEPARTMENT A WRITTEN NOTICE IF A  
2           COUNTY INTENDS TO OPT OUT OF THE BLOCK GRANT. SUCH OPT OUT  
3           SHALL TAKE EFFECT AT THE BEGINNING OF THE NEXT STATE FISCAL  
4           YEAR.

5 SECTION 1405-B. ALLOCATION.

6           (A) ALLOCATION.--THE DEPARTMENT SHALL ALLOCATE STATE BLOCK  
7 GRANT FUNDS TO COUNTIES AS FOLLOWS:

8           (1) THE DEPARTMENT SHALL ALLOCATE STATE BLOCK GRANT  
9 FUNDS ACCORDING TO EACH COUNTY'S PROPORTIONAL SHARE OF THE  
10 AGGREGATE AMOUNT OF THE FOLLOWING STATE FUNDS ALLOCATED FOR  
11 FISCAL YEAR 2011-2012:

12           (I) FUNDS ALLOCATED TO COUNTIES UNDER THE ACT OF  
13 OCTOBER 5, 1994 (P.L.531, NO.78), KNOWN AS THE HUMAN  
14 SERVICES DEVELOPMENT FUND ACT.

15           (II) FUNDS ALLOCATED TO COUNTIES FOR MENTAL HEALTH  
16 AND INTELLECTUAL DISABILITY SERVICES UNDER THE ACT OF  
17 OCTOBER 20, 1966 (3RD SP.SESS., P.L.96, NO.6), KNOWN AS  
18 THE MENTAL HEALTH AND INTELLECTUAL DISABILITY ACT OF  
19 1966.

20           (III) FUNDS ALLOCATED TO COUNTIES FOR BEHAVIORAL  
21 HEALTH SERVICES.

22           (IV) FUNDS ALLOCATED TO COUNTIES FOR DRUG AND  
23 ALCOHOL SERVICES UNDER SECTION 2334 OF THE ACT OF APRIL  
24 9, 1929 (P.L.177, NO.175), KNOWN AS THE ADMINISTRATIVE  
25 CODE OF 1929.

26           (V) FUNDS ALLOCATED TO COUNTIES FOR THE PROVISION OF  
27 SERVICES TO THE HOMELESS.

28           (VI) FUNDS ALLOCATED TO COUNTY CHILD WELFARE  
29 AGENCIES AS CERTAIN ADDITIONAL GRANTS UNDER SECTION  
30 704.1(B).

1 (2) THE DEPARTMENT SHALL ALLOCATE FEDERAL BLOCK GRANT  
2 FUNDS TO COUNTIES ACCORDING TO EACH COUNTY'S FISCAL YEAR  
3 2011-2012 PROPORTIONAL SHARE OF EACH FEDERAL APPROPRIATION  
4 ASSOCIATED WITH THE FUNDS IDENTIFIED IN PARAGRAPH (1).

5 (3) FUNDS IDENTIFIED IN PARAGRAPHS (1) AND (2) THAT WERE  
6 ALLOCATED TO COUNTY LOCAL COLLABORATIVE ARRANGEMENTS SHALL BE  
7 ALLOCATED TO INDIVIDUAL COUNTIES BASED ON THE INDIVIDUAL  
8 COUNTY POPULATION.

9 (4) THE DEPARTMENT MAY REVISE THE ALLOCATION OF FEDERAL  
10 FUNDS IDENTIFIED IN PARAGRAPH (2) AS NECESSARY TO COMPLY WITH  
11 APPLICABLE FEDERAL REQUIREMENTS.

12 (A.1) ADJUSTMENT OF ALLOCATION.--THE DEPARTMENT MAY ADJUST  
13 GRANTS UNDER THIS ARTICLE TO A COUNTY PARTICIPATING IN THE BLOCK  
14 GRANT BASED ON THE COUNTY'S DEMONSTRATED NEED FOR FUNDS TO MEET  
15 THE SPECIFIC HUMAN SERVICES NEEDS OF ITS RESIDENTS FOR A FISCAL  
16 YEAR. SUCH ADJUSTMENT SHALL NOT BE CONSIDERED IN THE COUNTY'S  
17 ALLOCATION UNDER SUBSECTION (A) FOR ANY SUBSEQUENT FISCAL YEAR.

18 (B) EXPENDITURE.--EACH COUNTY PARTICIPATING IN THE BLOCK  
19 GRANT SHALL EXPEND ITS ALLOCATED BLOCK GRANT FUNDS AS FOLLOWS:

20 (1) FOR STATE FISCAL YEAR 2012-2013, EACH COUNTY SHALL  
21 EXPEND ON EACH OF THE FOLLOWING COUNTY-BASED HUMAN SERVICES  
22 AT LEAST 80% OF THE AMOUNT THE COUNTY IS ALLOCATED UNDER THE  
23 FUNDS IDENTIFIED IN SUBSECTION (A) (1) FOR THAT COUNTY-BASED  
24 HUMAN SERVICE:

25 (I) COMMUNITY-BASED MENTAL HEALTH SERVICES.

26 (II) INTELLECTUAL DISABILITY SERVICES.

27 (III) CHILD WELFARE SERVICES.

28 (IV) DRUG AND ALCOHOL TREATMENT AND PREVENTION  
29 SERVICES.

30 (V) HOMELESS ASSISTANCE SERVICES.

1 (VI) BEHAVIORAL HEALTH SERVICES.

2 (2) FOR STATE FISCAL YEAR 2013-2014, EACH COUNTY SHALL  
3 EXPEND ON EACH OF THE FOLLOWING COUNTY-BASED HUMAN SERVICES  
4 AT LEAST 75% OF THE AMOUNT THE COUNTY WAS ALLOCATED UNDER THE  
5 FUNDS IDENTIFIED IN SUBSECTION (A) (1) FOR THAT COUNTY-BASED  
6 HUMAN SERVICE:

7 (I) COMMUNITY-BASED MENTAL HEALTH SERVICES.

8 (II) INTELLECTUAL DISABILITY SERVICES.

9 (III) CHILD WELFARE SERVICES.

10 (IV) DRUG AND ALCOHOL TREATMENT AND PREVENTION  
11 SERVICES.

12 (V) HOMELESS ASSISTANCE SERVICES.

13 (VI) BEHAVIORAL HEALTH SERVICES.

14 (3) FOR STATE FISCAL YEAR 2014-2015, EACH COUNTY SHALL  
15 EXPEND ON EACH OF THE FOLLOWING COUNTY-BASED HUMAN SERVICES  
16 AT LEAST 50% OF THE AMOUNT THE COUNTY IS ALLOCATED UNDER THE  
17 FUNDS IDENTIFIED IN SUBSECTION (A) (1) FOR THAT COUNTY-BASED  
18 HUMAN SERVICE:

19 (I) COMMUNITY-BASED MENTAL HEALTH SERVICES.

20 (II) INTELLECTUAL DISABILITY SERVICES.

21 (III) CHILD WELFARE SERVICES.

22 (IV) DRUG AND ALCOHOL TREATMENT AND PREVENTION  
23 SERVICES.

24 (V) HOMELESS ASSISTANCE SERVICES.

25 (VI) BEHAVIORAL HEALTH SERVICES.

26 (4) FOR STATE FISCAL YEAR 2015-2016, EACH COUNTY SHALL  
27 EXPEND ON EACH OF THE FOLLOWING COUNTY-BASED HUMAN SERVICES  
28 AT LEAST 25% OF THE AMOUNT THE COUNTY IS ALLOCATED UNDER THE  
29 FUNDS IDENTIFIED IN SUBSECTION (A) (1), FOR THAT COUNTY-BASED  
30 HUMAN SERVICE:

- 1 (I) COMMUNITY-BASED MENTAL HEALTH SERVICES.
- 2 (II) INTELLECTUAL DISABILITY SERVICES.
- 3 (III) CHILD WELFARE SERVICES.
- 4 (IV) DRUG AND ALCOHOL TREATMENT AND PREVENTION
- 5 SERVICES.
- 6 (V) HOMELESS ASSISTANCE SERVICES.
- 7 (VI) BEHAVIORAL HEALTH SERVICES.

8 (5) FOR STATE FISCAL YEAR 2016-2017 AND THEREAFTER,  
9 COUNTIES MAY EXPEND BLOCK GRANT FUNDS ON COUNTY-BASED HUMAN  
10 SERVICES AS DETERMINED BY LOCAL NEED.

11 (C) WAIVER.--A COUNTY MAY REQUEST IN WRITING THAT THE  
12 DEPARTMENT WAIVE THE REQUIREMENTS OF SUBSECTION (B). [THE  
13 DEPARTMENT MAY, IN ITS DISCRETION, GRANT THE REQUEST UPON GOOD  
14 CAUSE SHOWN BY THE COUNTY.] THE DEPARTMENT MAY GRANT THE REQUEST  
15 UPON A SHOWING BY THE COUNTY THAT SPECIFIC CIRCUMSTANCES CREATE  
16 A LOCAL NEED FOR FUNDS TO PROVIDE A HUMAN SERVICE THAT CANNOT BE  
17 MET WITHOUT A WAIVER, AND THAT ADEQUATE AND APPROPRIATE ACCESS  
18 TO OTHER HUMAN SERVICES WILL REMAIN AVAILABLE IN THE COUNTY. A  
19 REQUEST FOR A WAIVER UNDER THIS SUBSECTION SHALL SPECIFY THE  
20 AMOUNT OF FUNDS AND THE HUMAN SERVICES ON WHICH THOSE FUNDS WILL  
21 BE TRANSFERRED AND EXPENDED.

22 (D) USE OF REMAINING FUNDS.--EXCEPT AS PROVIDED IN  
23 SUBSECTION (B), COUNTIES MAY EXPEND THE REMAINING BLOCK GRANT  
24 FUNDS ON COUNTY-BASED HUMAN SERVICES NEEDS AS DETERMINED BY  
25 COUNTY OFFICIALS.

26 (E) CONTRIBUTION TO LOCAL COLLABORATIVE ARRANGEMENT.--EACH  
27 COUNTY THAT IS PART OF A LOCAL COLLABORATIVE ARRANGEMENT IN  
28 ACCORDANCE WITH SECTION 1404-B(2) SHALL CONTRIBUTE AT A MINIMUM  
29 THE PERCENTAGE OF FUNDS SPECIFIED IN SUBSECTION (B) TO THE LOCAL  
30 COLLABORATIVE ARRANGEMENT FOR THE PROVISION OF THE COUNTY-BASED

1 HUMAN SERVICES DELIVERED BY THE LOCAL COLLABORATIVE ARRANGEMENT.

2 SECTION 1406-B. USE OF BLOCK GRANT FUNDS.

3 (A) GENERAL RULE.--BLOCK GRANT FUNDS RECEIVED BY COUNTIES  
4 UNDER THIS ARTICLE SHALL BE USED SOLELY FOR THE PROVISION OF  
5 COUNTY-BASED HUMAN SERVICES.

6 (B) REINVESTMENT.--A COUNTY PARTICIPATING IN THE BLOCK GRANT  
7 MAY SUBMIT TO THE DEPARTMENT A WRITTEN PLAN TO REINVEST UP TO 3%  
8 OF ITS BLOCK GRANT ALLOCATION FOR ANY STATE FISCAL YEAR TO BE  
9 EXPENDED ON COUNTY-BASED HUMAN SERVICES IN THE NEXT STATE FISCAL  
10 YEAR. THE 3% LIMITATION MAY BE WAIVED BY THE DEPARTMENT UPON  
11 [GOOD CAUSE SHOWN BY THE COUNTY.] A SHOWING BY THE COUNTY THAT  
12 IT HAS A SPECIFIC AND DETAILED PLAN TO REINVEST THE FUNDS TO  
13 EXPAND ACCESS TO HUMAN SERVICES BASED ON LOCAL NEED AND THAT  
14 ADEQUATE AND AVAILABLE HUMAN SERVICES WILL REMAIN AVAILABLE IN  
15 THE COUNTY. A REQUEST FOR A WAIVER UNDER THIS SUBSECTION SHALL  
16 INCLUDE ALL OF THE FOLLOWING:

17 (1) THE SPECIFIC AMOUNT OF FUNDS THE COUNTY SEEKS TO  
18 REINVEST.

19 (2) AN EXPLANATION WHY THE FUNDS WERE NOT EXPENDED FOR  
20 HUMAN SERVICES DURING THE FISCAL YEAR.

21 (3) AN EXPLANATION HOW THE REINVESTMENT WILL SUPPORT THE  
22 PLAN SUBMITTED UNDER SECTION 1404-B(5).

23 (4) THE PROJECTED TIME PERIOD FOR EXPENDITURE OF THE  
24 FUNDS.

25 (C) ELIGIBILITY.--NO COUNTY SHALL BE REQUIRED TO EXPEND  
26 BLOCK GRANT FUNDS UNDER THIS ARTICLE ON BEHALF OF AN INDIVIDUAL  
27 UNTIL THE INDIVIDUAL HAS EXHAUSTED ELIGIBILITY AND RECEIPT OF  
28 BENEFITS UNDER ALL OTHER EXISTING FEDERAL, STATE, LOCAL OR  
29 PRIVATE PROGRAMS.

30 (D) ALLOCATION.--FOR STATE FISCAL YEAR 2012-2013, EACH

1 COUNTY IN EXPENDING BLOCK GRANT FUNDS SHALL PROVIDE LOCAL  
2 MATCHING FUNDS FOR BLOCK GRANT FUNDS ALLOCATED TO IT IN THE SAME  
3 PERCENTAGE AS THAT COUNTY'S AGGREGATE LOCAL MATCH PERCENTAGE FOR  
4 THE STATE FUNDS IDENTIFIED IN SECTION 1405-B(A) (1) IN STATE  
5 FISCAL YEAR 2010-2011. FOR EACH STATE FISCAL YEAR THEREAFTER,  
6 EACH COUNTY IN EXPENDING BLOCK GRANT FUNDS SHALL PROVIDE LOCAL  
7 MATCHING FUNDS FOR STATE BLOCK GRANT FUNDS ALLOCATED TO IT IN  
8 THE SAME PERCENTAGE AS THAT COUNTY'S AGGREGATE LOCAL MATCH  
9 PERCENTAGE FOR THE STATE FUNDS IDENTIFIED IN SECTION 1405-B(A)  
10 (1) IN STATE FISCAL YEAR 2011-2012.

11 (E) COUNTY OBLIGATION.--EXCEPT AS PROVIDED IN SUBSECTION  
12 (D), COUNTIES SHALL HAVE NO FINANCIAL OBLIGATION TO PROVIDE  
13 HUMAN SERVICES UNDER THIS ARTICLE IN EXCESS OF THEIR ALLOCATION  
14 OF BLOCK GRANT FUNDS FOR ANY FISCAL YEAR.

15 SECTION 23. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

16 (1) THE AMENDMENT OR ADDITION OF SECTIONS 102 AND 103 OF  
17 THE ACT SHALL TAKE EFFECT DECEMBER 31, 2013.

18 (2) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT  
19 IMMEDIATELY:

20 (I) THE ADDITION OF SECTION 441.10 OF THE ACT.

21 (II) THE AMENDMENT OF SECTION 443.1(1.1)(I), (1.4)  
22 AND (7)(IV) AND (V) OF THE ACT.

23 (III) THE AMENDMENT OR ADDITION OF SECTIONS  
24 704.1(G), (G.1) AND (G.2) AND 704.3 OF THE ACT.

25 (IV) THE AMENDMENT OF THE HEADING OF ARTICLE VIII-C  
26 AND SECTIONS 801-C, 802-C, 803-C, 804-C, 805-C, 806-C,  
27 807-C, 808-C, 809-C, 810-C AND 811-C OF THE ACT.

28 (V) THE AMENDMENT OF SECTIONS 802-E AND 808-E OF THE  
29 ACT.

30 (VI) THE AMENDMENT OR ADDITION OF THE DEFINITION OF

1 "NET INPATIENT REVENUE" IN SECTION 801-G AND SECTIONS  
2 803-G(B), 804-G(A.1) AND (A.3), 805-G(A) (3), (B) (4.1),  
3 (4.2) AND (5) AND 815-G OF THE ACT.

4 (VII) THE AMENDMENT OF THE HEADING OF ARTICLE XIV-B,  
5 AND SECTIONS 1402-B, 1403-B, 1404-B, 1405-B AND 1406-B OF  
6 THE ACT.

7 (VIII) THIS SECTION.

8 (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60  
9 DAYS.