

House Bill 526

By: Representatives Channell of the 77th, Shaw of the 143rd and Buck of the 112th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to
2 indigent and elderly patients, so as to enact the "Nursing Home Provider Fee Act"; to provide
3 for a fee to be imposed on nursing home revenues; to provide for the Department of
4 Community Health to collect provider fees; to provide for definitions; to provide for a
5 method for calculating a provider fee; to provide for the deposit of fees in the general fund
6 of the state treasury; to authorize the department to inspect nursing home records for
7 purposes of auditing provider fees; to provide for penalties for failure to pay a provider fee;
8 to prohibit the listing of a provider fee on a patient billing statement; to authorize the
9 department to withhold Medicaid payments equal to amounts owed as a provider fee or
10 penalty; to provide for collection of fees by civil action and tax liens; to provide for provider
11 fees to be allowable costs for Medicaid reimbursement; to provide for application of the
12 "Georgia Medical Assistance Act of 1977"; to provide for repeal of the Act on a date certain;
13 to provide for related matters; to provide for an effective date; to repeal conflicting laws; and
14 for other purposes.

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

16 style="text-align:center">**SECTION 1.**

17 This Act shall be known and may be cited as the "Nursing Home Provider Fee Act."

18 style="text-align:center">**SECTION 2.**

19 Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to indigent and
20 elderly patients, is amended by adding a new Article 6A to read as follows:

21 style="text-align:center">"ARTICLE 6A

22 31-8-161.

23 As used in this article, the term:

1 (1) 'Department' means the Department of Community Health created by Chapter 5A of
2 this title.

3 (2) 'Gross receipts' means gross receipts paid as compensation for services provided to
4 residents of nursing facilities including, but not limited to, client participation. The term
5 shall not include charitable contributions.

6 (3) 'Multiplier' means the fixed dollar amount used to calculate the provider fee.

7 (4) 'Nursing home' means a freestanding facility or distinct part or unit of a hospital
8 required to be licensed or permitted as a nursing home under the provisions of Chapter
9 7 of this title which is not owned or operated by the state or federal government.

10 (5) 'Patient day' means a day of care provided to an individual resident of a nursing home
11 by the nursing home. A patient day includes the date of admission but does not include
12 the date of discharge, unless the dates of admission and discharge occur on the same day.

13 (6) 'Provider fee' means the fee imposed pursuant to this article for the privilege of
14 operating a nursing home.

15 (7) 'State plan' means all documentation submitted by the commissioner of the
16 Department of Community Health on behalf of the department to and for approval by the
17 United States secretary of health and human services, pursuant to Title XIX of the federal
18 Social Security Act.

19 31-8-162.

20 (a) There is imposed on every nursing home a provider fee to be calculated in accordance
21 with subsection (b) of this Code section to be matched with federal funds.

22 (b) A provider fee shall be an amount determined each month which, when multiplied by
23 nonmedicare reimbursed patient days, results in revenues not to exceed 6 percent of gross
24 revenues of nonmedicare reimbursed services.

25 (c) The provider fee shall be paid by each nursing home to the department quarterly. The
26 nursing home shall calculate and report the provider fee due upon a form prepared by the
27 department and submit therewith payment of the provider fee no later than the thirtieth day
28 following the end of each calendar quarter. If a state plan that incorporates the provisions
29 of this article becomes effective in one calendar quarter, but such state plan is not approved
30 by the United States secretary of health and human services and implemented until a
31 subsequent quarter, all accrued but unpaid provider fees from any prior quarter shall be
32 paid to the department by lump sum payment within 45 days after the implementation of
33 such state plan.

34 (d) No nursing home shall be guaranteed, expressly or otherwise, that any additional
35 moneys paid to the nursing home will equal or exceed the amount of its provider fee.

1 (e) In the event that federal financial participation pursuant to Title XIX of the Social
2 Security Act is not available to the state Medicaid program for purposes of carrying out the
3 purposes of this article, this article shall be null and void as of the date of the
4 nonavailability of such federal funding through and during any period of nonavailability.

5 31-8-163.

6 (a) The department shall be authorized to promulgate rules and regulations to administer
7 the provisions of this article.

8 (b) The department shall collect the provider fees imposed pursuant to Code Section
9 31-8-162 and shall deposit such fees in the general fund of the state treasury.

10 (c) The department shall prepare and distribute a form upon which a nursing home shall
11 calculate and report to the department the provider fee that is due.

12 (d) Each nursing home shall keep and preserve for a period of three years such books and
13 records as may be necessary to determine the amount for which it is liable under this
14 article. The department shall have the authority to inspect and copy the records of a
15 nursing home for purposes of auditing the calculation of the provider fee. All information
16 obtained by the department pursuant to this article shall be confidential and shall not
17 constitute a public record.

18 (e) In the event that the department determines that a nursing home has underpaid or
19 overpaid the provider fee, the department shall notify the nursing home of the balance of
20 the provider fee or refund that is due. Such payment or refund shall be due within 30 days
21 of the department's notice.

22 (f) Any nursing home that fails to pay the provider fee pursuant to this article within the
23 time required by this article shall pay, in addition to the outstanding provider fee, a 6
24 percent penalty plus the maximum allowable interest for each month or fraction thereof that
25 the payment is overdue. If a provider fee has not been received by the department by the
26 last day of the month, the department shall withhold an amount equal to the provider fee
27 and penalty owed from any medical assistance payment due such nursing home under the
28 Medicaid program. The provider fee required by this article shall constitute a debt due the
29 state and may be collected by civil action and the filing of tax liens in addition to such
30 methods provided for in this article.

31 31-8-164.

32 (a) No nursing home shall list the provider fee as a separate charge on a patient's billing
33 statement.

34 (b) The payment of the provider fee by a nursing home shall be reported as an allowable
35 cost for Medicaid reimbursement purposes.

1 31-8-165.

2 Except where inconsistent with this article, the provisions of Article 7 of Chapter 4 of Title
3 49, the 'Georgia Medical Assistance Act of 1977,' shall apply to the department in carrying
4 out the purposes of this article."

5 **SECTION 3.**

6 This Act shall be repealed on June 30, 2005.

7 **SECTION 4.**

8 This Act shall become effective upon its approval by the Governor or upon its becoming law
9 without such approval.

10 **SECTION 5.**

11 All laws and parts of laws in conflict with this Act are repealed.