

House Bill 769 (COMMITTEE SUBSTITUTE) (AM)

By: Representatives Jasperse of the 11th, England of the 116th, Powell of the 171st, Jackson of the 128th, Cooper of the 43rd, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 4 of Title 26 and Title 31 of the Official Code of Georgia Annotated,
2 relating to pharmacists and pharmacies and health, respectively, so as to implement
3 recommendations from the House Rural Development Council relating to health care issues;
4 to revise provisions relative to pharmacy practices; to provide for and revise definitions; to
5 revise provisions relative to credentialing and billing; to provide for the establishment of the
6 Rural Center for Health Care Innovation and Sustainability; to revise provisions relative to
7 certificate of need; to provide for the establishment of micro-hospitals; to provide for a grant
8 program for insurance premium assistance for physicians practicing in medically underserved
9 rural areas of the state; to amend Code Section 48-7-29.20 of the Official Code of Georgia
10 Annotated, relating to tax credits for contributions to rural hospital organizations, so as to
11 increase the value of the tax credit to 100 percent; to remove limitations on total amounts
12 allowed to individual taxpayers; to provide that credits are allowable to certain pass-through
13 entities; to provide for limits on contributions by individual taxpayers during the first six
14 months of the year; to extend the date for automatic repeal; to provide for related matters; to
15 repeal conflicting laws; and for other purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

17 **SECTION 1.**

18 Chapter 4 of Title 26 of the Official Code of Georgia Annotated, relating to pharmacists and
19 pharmacies, is amended in Code Section 26-4-5, relating to definitions, by revising paragraph
20 (37.2) as follows:

21 "(37.2) 'Remote order entry' means the entry made by a pharmacist ~~located within the~~
22 ~~State of Georgia~~ licensed in this state, who is an employee or contractor of a pharmacy
23 licensed in this state or that holds a nonresident pharmacy permit issued pursuant to Code
24 Section 26-4-114.1, from a remote location anywhere in the United States indicating that
25 the pharmacist has reviewed the patient specific drug order for a hospital patient, has

26 approved or disapproved the administration of the drug for such patient, and has entered
27 the information in the hospital's patient record system."

28 **SECTION 2.**

29 Said chapter is further amended in Code Section 26-4-80, relating to license required for
30 practice of pharmacy, dispensing of prescription drugs, prescription drug orders,
31 electronically transmitted drug orders, refills, and Schedule II controlled substance
32 prescriptions, by revising paragraph (7) of subsection (c) as follows:

33 "(7)(A) The board shall promulgate rules and regulations under this Code section for
34 institutional settings such as hospital pharmacies, nursing home pharmacies, clinic
35 pharmacies, or pharmacies owned or operated directly by health maintenance
36 organizations.

37 (B) The rules established pursuant to subparagraph (A) of this paragraph shall
38 specifically authorize hospital pharmacies to use remote order entry when:

39 (i) The licensed pharmacist is not physically present in the hospital, the hospital
40 pharmacy is closed, and a licensed pharmacist will be physically present in the
41 hospital pharmacy within 24 hours or the next business day;

42 (ii) At least one licensed pharmacist is physically present in the hospital ~~pharmacy~~
43 ~~and at least one other licensed pharmacist is practicing pharmacy in the hospital but~~
44 ~~not physically present in the hospital pharmacy~~; or

45 (iii) At least one licensed pharmacist is physically present in a another hospital within
46 this state which remotely serves only on weekends not more than four other hospitals
47 under the same ownership or management which have an average daily census of less
48 than 12 acute patients.

49 (C) Before a hospital may engage in remote order entry as provided in this paragraph,
50 the director of pharmacy of the hospital shall submit to the board written policies and
51 procedures for the use of remote order entry. The required policies and procedures to
52 be submitted to the board shall be in accordance with the American Society of
53 Health-System Pharmacists and shall contain provisions addressing quality assurance
54 and safety, mechanisms to clarify medication orders, processes for reporting medication
55 errors, documentation and record keeping, secure electronic access to the hospital
56 pharmacy's patient information system and to other electronic systems that the on-site
57 pharmacist has access to, access to hospital policies and procedures, confidentiality and
58 security, and mechanisms for real-time communication with prescribers, nurses, and
59 other caregivers responsible for the patient's health care.

60 (D) If the board concludes that the hospital's actual use of remote order entry does not
 61 comply with this paragraph or the rules adopted pursuant to this chapter, it may issue
 62 a cease and desist order after notice and hearing."

63 **SECTION 3.**

64 Title 31 of the Official Code of Georgia Annotated, relating to health, is amended in
 65 Chapter 2, relating to the Department of Community Health, by adding new Code sections
 66 to read as follows:

67 "31-2-15.

68 (a) As used in this Code section, the term 'state medical plan' means the state health benefit
 69 plan under Article 1 of Chapter 18 of Title 45, the medical assistance program under
 70 Article 7 of Chapter 4 of Title 49, the PeachCare for Kids Program under Article 13 of
 71 Chapter 5 of Title 49, and any other health benefit plan or policy administered by or on
 72 behalf of the state.

73 (b) The department shall take all reasonable steps to streamline and expedite the
 74 credentialing and billing processes for state medical plans, including but not limited to
 75 examining the potential for a uniform billing platform or portal; examining the potential
 76 for the standardization of billing codes among providers; posting billing criteria and codes
 77 on the department's website; enabling a dual track process for credentialing and contract
 78 negotiation for new providers; allowing billing for telehealth delivered care and allowing
 79 payment for both the on-site provider and off-site provider; and maximizing billing for
 80 multiple specialists and multiple encounters with one provider at a single visit in safety net
 81 settings, critical access settings, federally qualified health centers, and general practitioner
 82 settings.

83 (c) This Code section shall not be construed to require the department to act in violation
 84 of any federal law, rule, or regulation.

85 31-2-16.

86 (a) There is created and established the Rural Center for Health Care Innovation and
 87 Sustainability within the department's State Office of Rural Health. The department shall
 88 conduct a request for proposal process to identify a postsecondary institution within the
 89 state in which the center shall be located. Such postsecondary institution shall have a
 90 health program or college that focuses on rural and underserved areas of the state. The
 91 department shall reissue a request for proposal after seven years and every five years
 92 thereafter.

93 (b) The purposes of the center shall be to:

94 (1) No later than January 1, 2019, develop standards for education curriculum provided
95 to leadership of rural hospital organizations, as defined in Code Section 31-8-9.1, and to
96 other rural health care facilities upon request, including, but not limited to, hospital
97 executive leadership, hospital board members, and hospital authority members. The
98 curriculum shall include, at a minimum, legal, fiduciary, grant management, planning,
99 and compliance training. The center shall approve education programs by any entity that
100 the center determines to meet such standards. No rural hospital organization, as defined
101 in Code Section 31-8-9.1, shall be eligible to:

102 (A) Receive contributions from the tax credit provided pursuant to Code Section
103 48-7-29.20; or

104 (B) Qualify or receive any state funds,
105 unless the chief executive officer, the chief financial officer, every board member, and
106 every hospital authority member, if operated by a hospital authority pursuant to Article 4
107 of Chapter 7 of this title, have completed an education program approved by the center
108 pursuant to this paragraph no later than December 31, 2020, or within 12 months of initial
109 hiring or appointment and every two years thereafter; and

110 (2) Serve as a central health data repository for collection and dissemination of health
111 data from state health agencies, including but not limited to the department, the
112 Department of Public Health, and the Department of Behavioral Health and
113 Developmental Disabilities, to conduct health data analytics to determine rural health care
114 needs for planning purposes, including determining current and future health care work
115 force needs.

116 (c) The center is authorized to make application for and receive funds and grants as may
117 be necessary to, and utilize and disburse such funds for such purposes and projects as will,
118 carry out the purposes of the center.

119 (d) The center is authorized to enter into contracts, agreements, and arrangements with
120 colleges and universities for participation in the work of the center. The center shall also
121 be authorized to enter into contracts and agreements with the federal government; political
122 subdivisions of this state; private firms, foundations, or institutions; or individuals for
123 specific research on any aspects of rural health care as may be related to the purposes of
124 this Code section.

125 (e) On or before December 31 of each year, the center shall file a report to the Governor,
126 the President of the Senate, the Speaker of the House of Representatives, and the
127 chairpersons of the House Committee on Health and Human Services, the Senate Health
128 and Human Services Committee, the House Committee on Appropriations, and the Senate
129 Appropriations Committee. The report shall include a summary of the activities of the
130 center during the calendar year, including, but not limited to, the total number of hospital

131 executives, hospital board members, and hospital authority members who received training
 132 from the center; the status of rural health care in the state; and recommendations, if any,
 133 for legislation as may be necessary to improve the programs and services offered by the
 134 center."

135 **SECTION 4.**

136 Said title is further amended by revising paragraphs (21), (32), and (38) of and by adding a
 137 new paragraph to Code Section 31-6-2, relating to definitions, to read as follows:

138 "(21) 'Hospital' means an institution which is primarily engaged in providing to
 139 inpatients, by or under the supervision of physicians, diagnostic services and therapeutic
 140 services for medical diagnosis, treatment, and care of injured, disabled, or sick persons
 141 or rehabilitation services for the rehabilitation of injured, disabled, or sick persons. Such
 142 term includes public, private, psychiatric, rehabilitative, geriatric, osteopathic,
 143 micro-hospitals, and other specialty hospitals."

144 "(23.1) 'Micro-hospital' means a hospital in a rural county which has at least two and not
 145 more than seven inpatient beds and which provides emergency services seven days per
 146 week and 24 hours per day."

147 "(32) 'Rural county' means a county having a population of less than ~~35,000~~ 50,000
 148 according to the United States decennial census of ~~2000~~ 2010 or any future such census."

149 "(38) 'Urban county' means a county having a population equal to or greater than ~~35,000~~
 150 50,000 according to the United States decennial census of ~~2000~~ 2010 or any future such
 151 census."

152 **SECTION 5.**

153 Said title is further amended by adding a new paragraph to and by revising paragraph (24)
 154 of subsection (a) of Code Section 31-6-47, relating to exemptions from chapter, as follows:

155 "(9.2) The purchase of a closing hospital or of a hospital that has been closed for no more
 156 than 12 months by a hospital in a contiguous county to repurpose the facility as a
 157 micro-hospital;"

158 "(24) The relocation of any skilled nursing facility, ~~or~~ intermediate care facility, ~~or~~
 159 micro-hospital within the same county, any other health care facility in a rural county
 160 within the same county, and any other health care facility in an urban county within a
 161 three-mile radius of the existing facility so long as the facility does not propose to offer
 162 any new or expanded clinical health services at the new location;"

163 **SECTION 6.**

164 Said title is further amended by redesignating the existing provisions of Chapter 34, relating
 165 to medical professionals for rural assistance, as Article 1 of such chapter, by replacing "This
 166 chapter" and "this chapter" with "This article" and "this article", respectively, everywhere
 167 each such term occurs in the new Article 1, and by adding a new article to read as follows:

168 "ARTICLE 2

169 31-34-20.

170 (a) Subject to appropriations, the Georgia Board for Physician Workforce shall establish
 171 a grant program for the purpose of increasing the number of physicians who remain in
 172 Georgia to practice in medically underserved rural areas of the state. The grant program
 173 shall provide insurance premium assistance for physicians practicing in such medically
 174 underserved rural areas of the state, as identified by the Georgia Board for Physician
 175 Workforce pursuant to Code Section 49-10-3.

176 (b) To be eligible to receive a grant under the grant program, a physician shall meet the
 177 following qualifications:

178 (1) Maintain a practice in a medically underserved rural area of the state;

179 (2) Be licensed to practice in this state and board certified;

180 (3) Complete a minimum of 100 hours of continuing medical education as approved by
 181 the Georgia Composite Medical Board;

182 (4) Provide weekend or extended hours; and

183 (5) Accept Medicaid and medicare patients.

184 (c) A physician receiving a grant pursuant to the grant program shall agree to practice
 185 medicine in such medically underserved rural areas of the state for a period of time
 186 determined by the Georgia Board for Physician Workforce.

187 (d) The Georgia Board for Physician Workforce may adopt and prescribe such rules and
 188 regulations as it deems necessary or appropriate to administer and carry out the grant
 189 program provided for in this chapter. In establishing the amount of grants, the Georgia
 190 Board for Physician Workforce shall determine the average insurance premium rates for
 191 physicians in rural areas of this state."

192 **SECTION 7.**

193 Code Section 48-7-29.20 of the Official Code of Georgia Annotated, relating to tax credits
 194 for contributions to rural hospital organizations, is amended by revising subsections (b)
 195 and (c), paragraph (1) of subsection (e), and subsection (i) and by adding a new subsection
 196 to read as follows:

197 "(b) An individual taxpayer shall be allowed a credit against the tax imposed by this
198 chapter for qualified rural hospital organization expenses as follows:

199 (1) In the case of a single individual or a head of household, ~~90 percent of the actual~~
200 ~~amount expended; or \$5,000.00 per tax year, whichever is less; or~~

201 (2) In the case of a married couple filing a joint return, ~~90 percent of the actual amount~~
202 ~~expended or \$10,000.00 per tax year, whichever is less; or~~

203 (3) In the case of an individual who is a member of a limited liability company duly
204 formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a
205 partnership, the amount expended; provided, however, that tax credits pursuant to this
206 paragraph shall be allowed only for the portion of the income on which such tax was
207 actually paid by such individual.

208 (b.1) From January 1 to June 30 each taxable year, an individual taxpayer shall be limited
209 in its qualified rural hospital organization expenses allowable for credit under this Code
210 section, and the commissioner shall not approve qualified rural hospital organization
211 expenses incurred from January 1 to June 30 each taxable year, which exceed the following
212 limits:

213 (1) In the case of a single individual or a head of household, \$5,000.00;

214 (2) In the case of a married couple filing a joint return, \$10,000.00; or

215 (3) In the case of an individual who is a member of a limited liability company duly
216 formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a
217 partnership, \$10,000.00.

218 (c) A corporation or other entity shall be allowed a credit against the tax imposed by this
219 chapter for qualified rural hospital organization expenses in an amount not to exceed ~~90~~
220 ~~percent of the actual amount expended or 75 percent of the corporation's income tax~~
221 ~~liability, whichever is less."~~

222 "(e)(1) In no event shall the aggregate amount of tax credits allowed under this Code
223 section exceed \$60 million in 2017, ~~\$60 million in 2018, and \$60 million in 2019 per~~
224 ~~taxable year."~~

225 "(i) This Code section shall stand automatically repealed on December 31, ~~2019~~ 2021."

226 **SECTION 8.**

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