

House Bill 542

By: Representatives Jones of the 25th, Kelley of the 16th, Gravley of the 67th, Corbett of the 174th, Pirkle of the 155th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to the
2 care and protection of indigent and elderly patients, so as to authorize health care facilities
3 to purchase and sell charity care credits through an exchange to meet their indigent and
4 charity care requirements; to provide for definitions; to provide for the creation of the
5 Georgia Charity Care Exchange; to provide for contractual arrangements between health care
6 facilities for the first two years; to provide for an annual report; to provide for creation of an
7 oversight board; to provide for related matters; to repeal conflicting laws; and for other
8 purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

11 Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to the care and
12 protection of indigent and elderly patients, is amended by adding a new article to read as
13 follows:

14 style="text-align:center">"ARTICLE 11

15 31-8-320.

16 As used in this article, the term:

17 (1) 'Charity care credit' means a value computed for uncompensated indigent or charity
18 care based on a fixed-price schedule utilizing Medicare diagnosis-related groups.

19 (2) 'Charity care exchange' or 'exchange' means the Georgia Charity Care Exchange
20 created pursuant to Code Section 31-8-321.

21 (3) 'Charity care requirements' means the specified amount of uncompensated indigent
22 or charity care required to be provided to indigent patients by a health care facility
23 pursuant to Chapter 6 of this title as a condition for the grant of a certificate of need or
24 for an exemption to certificate of need requirements.

25 (4) 'Health care facility' shall have the same meaning as in Code Section 31-6-2.

26 (5) 'Oversight board' means the Georgia Charity Care Exchange Oversight Board created
27 pursuant to Code Section 31-8-324.

28 (6) 'Uncompensated indigent or charity care' shall have the same meaning as in Code
29 Section 31-6-2.

30 31-8-321.

31 (a) There is hereby created the Georgia Charity Care Exchange for the purposes of
32 establishing a regulated pool of charity care.

33 (b) The department shall design and operate the exchange to enable health care facilities
34 that provide indigent and charity care above their indigent and charity care requirements
35 to sell charity care credits through the exchange in return for funding and to enable health
36 care facilities that do not provide sufficient indigent and charity care to meet their indigent
37 and charity care requirements to purchase charity care credits through the exchange.

38 (c) The department shall determine the value of charity care credits based on a fixed-price
39 schedule utilizing Medicare diagnosis-related groups. Charity care credits may vary based
40 on services provided, groups of services provided, type of health care facility, or other
41 factors as determined by the department. The initial valuation of charity care credits may
42 take into consideration the values assigned in contractual arrangements established
43 pursuant to subsection (b) of Code Section 31-8-322.

44 (d) The exchange shall be designed to adapt to market variations and other economic
45 factors. The exchange may include the option for health care facilities to bank charity care
46 credits for subsequent fiscal years.

47 (e) The department shall be authorized to enter into contracts with consultants or
48 contractors to assist it in the design and operation of the exchange, as deemed necessary
49 by the department.

50 31-8-322.

51 (a) On and after January 1, 2020, health care facilities shall be authorized to meet their
52 indigent and charity care requirements through the purchase and sale of charity care credits
53 pursuant to this article.

54 (b)(1) For the period from January 1, 2020, through December 31, 2021, a health care
55 facility may enter into a contract directly with one or more other health care facilities to
56 purchase or sell charity care credits as necessary to meet its indigent and charity care
57 requirements.

58 (2) Health care facilities that enter into contracts pursuant to paragraph (1) of this
59 subsection shall be required to submit a nonredacted copy of such contract to the

60 department to inform the design of the exchange and the valuation of charity care credits
61 by the department.

62 (c) On and after January 1, 2022, health care facilities may purchase or sell charity care
63 credits through the exchange to meet their indigent and charity care requirements.

64 31-8-323.

65 The department shall publish an annual report that includes the charity care credits
66 purchased and sold through the exchange per health care facility and the valuation of
67 charity care credits.

68 31-8-324.

69 (a) There shall be established the Georgia Charity Care Exchange Oversight Board to
70 provide ongoing oversight and advisement to the department regarding the exchange.

71 (b) The oversight board shall comprise nine members, with three members appointed by
72 the Governor, three members appointed by the Lieutenant Governor, and three members
73 appointed by the Speaker of the House of Representatives. All members shall serve at the
74 pleasure of their appointing official.

75 (c) The oversight board shall elect a chairperson from among its membership."

76

SECTION 2.

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