

NOTE: At the time of the vote, the Legislature did not have an available copy of the bill text as voted on. For your convenience, Vote Smart staff has created this updated version of the bill by incorporating changes made by published Committee Reports and/or Amendments into the available text. This updated version accurately reflects the state of the bill as voted on.

SENATE FILE NO. SF0145

Hospital uncompensated care.

Sponsored by: Senator(s) Peterson, Anderson, J.D. (SD02),
Driskill and Landen and Representative(s) Barlow

A BILL

For

AN ACT relating to public health; providing for payments to acute care hospitals for uncompensated charity care as specified; providing definitions; providing appropriations; and providing a sunset date; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1.

(a) As used in this section:

(i) "Acute care hospital" means a hospital licensed in Wyoming pursuant to W.S. 35-2-901 through 35-2-911, including critical access hospitals that meet the requirements of the federal Centers for Medicare and Medicaid Services to be designated as a critical access hospital, and which provides acute patient care but excluding those hospitals that do not operate a full-time emergency room or that do not accept Medicaid patients and those hospitals operated for profit;

(ii) "Department" means the Wyoming department of health;

(iii) "Uncompensated charity care" means hospital care that an individual cannot reasonably be expected to pay for due to poverty. The department in administering this section shall use the definition of uncompensated charity care used by the federal government in preparing the Medicare cost report.

(b) The uncompensated charity care account is established. The account shall be administered by the department. Funds in the account shall be distributed on a quarterly basis to acute care hospitals in the state to reduce hospitals' costs for uncompensated charity care.

(c) The department shall promulgate rules and regulations to administer the fund. The rules and regulations shall include provisions for:

(i) Ensuring that reimbursements do not exceed available funds;

(ii) Limiting reimbursement to the necessary support of the poor;

(iii) Preventing duplication between distributions from the account and proceeds from Medicaid or other third party payers;

(iv) Providing for hospital reports and distributions for uncompensated charity care beginning July 1, 2015. In calculating its uncompensated charity care each hospital shall use the cost-to-charge ratio in its most recent Medicare cost report.

(d) The Department shall provide distributions to acute care and critical access hospitals for uncompensated charity care, subject to the following:

- (i) Distributions shall only be provided to acute care or critical access hospitals that agree not to increase the wages, salary or compensation of hospital executive management staff during the years in which the distribution is received;
- (ii) Distributions shall not be used to pay the cost of construction or debt service at any acute care or critical access hospital.

(e) The department may contract with a fiscal agent to make the actual payments and conduct any necessary audits or distribution requests. Distribution requests shall be made in a form and manner prescribed by the department. The department or its agent on its behalf may request any documentation it deems necessary to support any request for reimbursement.

(f) Each acute care hospital shall report to the department for each fiscal year the total cost of uncompensated charity care based on audited and settled cost reports from the most recent settled year.

(g) The department shall limit hospitals' distributions for uncompensated charity care as provided in this section. The department shall coordinate distributions from the uncompensated charity care account to assure that, in any calendar year, two-thirds (2/3) of distributions shall be to critical access hospitals that meet the requirements of the federal Centers for Medicare and Medicaid Services to be designated as a critical access hospital and one-third (1/3) of distributions shall be to prospective payment system acute care hospitals. The department shall calculate each hospital's fractional share of the total uncompensated charity care as shown in the most recent audited and settled Medicare cost report as of June 1, 2015. A hospital's distribution shall not exceed the available appropriated funds, multiplied by that hospital's fractional share of the total charity care.

(h) This act is repealed June 30, 2016.

Section 2. If 2015 HB0163 is not enacted into law, one million dollars (\$1,000,000.00) of general funds remaining from 2007 Wyoming Session Laws, Chapter 217, Section 2(a) on June 30, 2015, shall be reappropriated to the state auditor for the period beginning July 1, 2015 and ending June 30, 2016, to establish a grant program for any hospital having twenty-five (25) or fewer beds, that can demonstrate it provides uncompensated charity care, and that can demonstrate for the period July 1, 2014 through December 31, 2014 the hospital did not have cash reserves sufficient to cover one hundred (100) days of operation. Hospitals licensed under W.S. 35-2-901 through 35-2-911, that qualify under this section shall apply to

the state auditor no later than July 30, 2015 to qualify for grant funding under this section based upon their demonstrated charity costs on June 30, 2015, not to exceed one hundred percent (100%) reimbursement for their uncompensated charity care or two hundred fifty thousand dollars (\$250,000.00) whichever is less as determined by the state auditor.

Section 3. If 2015 HB0163 is not enacted into law, one million dollars (\$1,000,000.00) of general funds remaining from 2007 Wyoming Session Laws, Chapter 217, Section 2(a) that have not reverted prior to June 30, 2015, shall be reappropriated to the state auditor for the period beginning with the effective date of this section and ending July 31, 2016, to establish a grant program to award funds to any hospital having twenty-five (25) or fewer beds, that can demonstrate it provides uncompensated charity care, and that can demonstrate for the period July 1, 2014 through December 31, 2014, the hospital did not have cash reserves sufficient to cover two hundred (200) days of operation. Hospitals licensed under W.S. 35-2-901 through 35-2-911, that qualify under this section shall apply to the state auditor no later than May 1, 2015 to qualify for a prorated grant under this section based upon their demonstrated charity care costs on May 1, 2015, not to exceed one hundred percent (100%) reimbursement for their uncompensated charity care to two hundred fifty thousand dollars (\$250,000.00), whichever is less, as determined by the state auditor.

Section 4. (a) Except as provided in subsection (b) of this section, this act is effective July 1, 2015.

(b) Section 3 of this act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)