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**SENATE BILL NO. 915**

Offered January 19, 2018

A *BILL to amend the Code of Virginia by adding in Chapter 10 of Title 32.1 an article numbered 5, consisting of a section numbered 32.1-331.18, relating to the Priority Needs Access Program.*

Patron—Dunnavant

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 10 of Title 32.1 an article numbered 5, consisting of a section numbered 32.1-331.18, as follows:

Article 5.

*Annual Hospital Assessment.*

**§ 32.1-331.18. Annual hospital assessment.**

A. As used in this article:

"Net patient revenue" means the amount reported in the most recent Virginia Health Information "Hospital Detail Report" as of December 15 of each year.

"Private acute care hospital" means any hospital other than a public hospital, freestanding psychiatric or rehabilitation hospital, children's hospital, long-term acute care hospital, long-stay hospital, or critical access hospital.

B. Every private acute care hospital in the Commonwealth shall be subject to an annual assessment to be paid to the Department of Medical Assistance Services in an amount equal to .83 percent of net patient revenue beginning on July 1, 2018, and 1.61 percent of net patient revenue beginning July 1, 2019. Payment of such assessment shall be made in four quarterly payments, with each quarterly payment equaling 25 percent of the total amount of the annual assessment imposed. Quarterly payments shall be made to the Department of Medical Assistance Services by the first day of the quarter for which the payment is due. Any private acute care hospital that fails to pay a quarterly payment within 30 days of the date on which such payment is due shall be subject to a penalty equal to five percent of the amount of the quarterly payment owed. Any unpaid quarterly payment shall be a debt due to the Commonwealth and shall be subject to the Virginia Debt Collection Act (§ 2.2-4800 et seq.). All amounts collected pursuant to this section shall be deposited in the Virginia Health Care Fund. The Department of Medical Assistance Services shall account for funds collected pursuant to this section separately from other funds in the Virginia Health Care Fund.

C. The Department of Medical Assistance Services shall report to the Director of the Department of Planning and Budget and the Chairmen of the House Committee on Appropriations and Senate Committee on Finance, by September 1 of each year, for the most recent fiscal year: (i) the total amount of revenue collected pursuant to this section, (ii) expenditures made for the purposes of this section, and (iii) the year-end assessment balance in the Virginia Health Care Fund.

2. That the Department of Medical Assistance Services (Department) shall amend the Medicaid demonstration project (Project Number 11-W-00297/3) to (i) increase the income eligibility for adults with serious mental illness from 100 to 138 percent of the federal poverty level; (ii) include in the benefit package inpatient hospital and emergency room services; (iii) expand program eligibility to individuals with a diagnosis of mental illness, substance use disorder, or a life-threatening or complex chronic medical condition; and (iv) include the entire population of the demonstration project in the Commonwealth Coordinated Care Plus managed care program. The Department shall have authority to implement necessary changes upon federal approval and prior to the completion of any regulatory process undertaken in order to effect such changes. Such demonstration program shall be known as the Priority Needs Access Program.

3. That the provisions of the first enactment of this act shall not become effective until all necessary approvals from the Centers for Medicare and Medicaid Services have been received.

4. That the first quarterly payment of the assessment imposed pursuant to this act shall be paid by July 1, 2018, or the first day of the next quarter following the date on which this act becomes effective.

INTRODUCED

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