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OFFICE OF THE GOVERNOR

# **WEST VIRGINIA LEGISLATURE**

**REGULAR SESSION, 1984** 

# ENROLLED

Com. Sub. for HOUSE BILL No. 1615

(By Mr. Spoaker, Mr. See, by request) of the Executive

Passed March 5, 1984
In Effect Minety Days From Passage

#### **ENROLLED**

#### **COMMITTEE SUBSTITUTE**

FOR

# H. B. 1615

(By Mr. Speaker, Mr. See, by request of the Executive)

[Passed March 5, 1984; in effect ninety days from passage.]

AN ACT to amend and reenact section sixteen, article twenty-nine-b, chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the date on which the health care cost review authority must apply to the federal government for an agreement on reimbursement to hospitals.

Be it enacted by the Legislature of West Virginia:

That section sixteen, article twenty-nine-b, chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

# ARTICLE 29B. WEST VIRGINIA HEALTH CARE COST REVIEW AUTHORITY.

#### §16-29B-16. Start-up period.

- 1 (a) The department of health shall cooperate to the
- 2 fullest extent possible and transfer all data, records, re-
- 3 ports, analyses and summaries filed, collected or developed
- 4 by the department of health pursuant to article five-f of
- 5 this chapter, upon request of the board. With the approval
- 6 of the board the department of health shall expend out
- 7 of any funds available for the purpose such moneys as are
- 8 necessary for the use of its staff by the board during the

- 9 start-up period, and the department of health shall be reim-10 bursed by the board for any such expenses so incurred. 11 During the lifetime of the board the functions and respon-
- sibilities set forth in article five-f of this chapter shall be performed by the board, and whenever in this code reference
- 14 is made to said article five-f, said reference shall be deemed
- 15 to mean reference to the board.
- 16 (b) The board shall then compile all other relevant finan-17 cial and accounting data in order to have available the statisti-18 cal information necessary to properly conduct rate review and approval. Such data shall include necessary operating 19 20 expenses, appropriate expenses incurred for rendering services 21 to patients who cannot or do not pay, all properly incurred interest charges, and reasonable depreciation expenses based 23 on the expected useful life of the property and equipment involved. The board shall also obtain from each hospital 25 a current rate schedule as well as any subsequent amendments 26 or modifications of that schedule as it may require.
- 27 (c) Prior to the commencement of review activities, the 28 board may examine rate-making methods used by other 29 regulatory agencies in the state and hospital rate-making 30 agencies in other states before adopting a method or methods 31 for determining rates for the hospitals subject to this article.
- 32 (d) Upon appointment, the board shall enter into negotia-33 tions with the health care financing administration within 34 the United States department of health and human services to 35 seek approval and assurances from, and enter into agree-36 ments with, the United States department of health and human 37 services so that the aforementioned federal agency and af-38 fected state agencies allow reimbursement to hospitals subject to the provisions of this article in accordance with rates 40 approved by the board. The absence of such approval and 41 assurances from, and agreements with, the health care financing 42 administration within the department of health and human 43 services shall not diminish the authority of the board to set rates of payment for other payors.
- 45 (e) Within sixty days after the publication in the federal 46 register of the interim regulations to implement section

- 1886(c) of the social security act, the board shall submit its application for purposes of entering into an agreement with the secretary of the department of health and human services so that the aforementioned federal agency agrees to allow payment for services provided by hospitals subject to the provisions of this article in accordance with rates approved by the board.
- (f) No later than the first day of June, one thousand nine hundred eighty-three, every hospital shall provide to the board a full and complete verified statement of services offered as of the first day of February, one thousand nine hundred eighty-three, together with a verified statement of rates in effect as of the first day of February, one thousand nine hundred eighty-three, for such services.

### Enr. Com. Sub. for H. B. 1615] 4

C-641

The Joint Committee on Enrolled Bills hereby certifies that the
foregoing bill is correctly enrolled.
James L. Davis
Chairman Senate Committee
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Chairman House Committee
Chairman House Commission
Originating in the House.
Takes effect ninety days from passage.
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Clerk of the Senate
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Speaker House of Delegates
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