

No: 1424



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SECRETARY OF STATE

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1985



# ENROLLED

Com. Sub. for  
HOUSE BILL No. 1424

(By ~~Mr.~~ Del. Givens)



Passed April 13, 1985

In Effect From Passage



**ENROLLED**  
COMMITTEE SUBSTITUTE  
FOR  
**H. B. 1424**  
(By DELEGATE GIVENS)

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[Passed April 13, 1985; in effect from passage.]

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AN ACT to amend chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article twenty-nine-c, relating to the establishment and funding of an indigent care fund; assessment of hospitals by health care cost review authority; rules and regulations; legislative task force on uncompensated health care and medicaid expenditures created; termination of article.

*Be it enacted by the Legislature of West Virginia:*

That chapter sixteen of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article twenty-nine-c, to read as follows:

**ARTICLE 29C. INDIGENT CARE.**

**§16-29C-1. Short title.**

1 This article shall be known and may be cited as the  
2 "Indigent Care Act."

**§16-29C-2. Legislative findings.**

1 (a) That hospitals in this state presently are required to bear  
2 without compensation a substantial portion of the cost of the  
3 health care services rendered to indigent patients in this state;

4 (b) That, as a result of this burden, hospitals in this state  
5 presently are forced to shift the cost of these uncompensated  
6 services onto private pay patients and increase substantially  
7 their charges to private pay patients;

8 (c) That, as a further result of this burden, the financial  
9 status of hospitals in this state and the health and welfare of  
10 the citizens of this state are threatened;

11 (d) That, in order to alleviate this burden and the results  
12 thereof, special funds for the state's medicaid program must  
13 be established to assist hospitals in financing these uncompen-  
14 sated services;

15 (e) That, increasing number of citizens of this state are  
16 experiencing difficulties having access to medical care due to  
17 the lack of resources to pay for medical services;

18 (f) That, no immediate relief is seen for such individuals by  
19 way of their obtaining medical insurance or having access to  
20 sufficient funds to pay for such medical services;

21 (g) That, the state medicaid program faces serious financial  
22 difficulties in terms of decreasing amounts of available federal  
23 and state dollars by which to fund the medicaid program and  
24 in paying debts presently owed hospitals;

25 (h) That the magnitude of the present problem may  
26 necessitate an assessment of hospitals for a period limited to  
27 one year as a means of raising additional revenue to address  
28 the problem;

29 (i) That, the provision of primary health services in the  
30 hospital setting is inefficient from both a cost containment and  
31 a medical practices viewpoint; and

32 (j) That, the health and well-being of all state citizens is of  
33 primary concern to state government.

**§16-29C-3. Indigent care fund.**

1 (a) There is hereby created in the state treasury a special  
2 fund to be known as the indigent care fund.

3 (b) Moneys from the following sources shall be paid into  
4 the indigent care fund:

5 (1) For the state's fiscal year beginning in the year one

6 thousand nine hundred eighty-five, the Legislature shall make  
7 an appropriation to the indigent care fund in an amount to  
8 be determined by it which shall be in addition to its general  
9 appropriation to the state's medicaid program; and

10 (2) On the first day of July, one thousand nine hundred  
11 eighty-five, the West Virginia health care cost review authority  
12 may assess hospitals under the jurisdiction of the authority,  
13 with the exception of hospitals owned and operated by the  
14 state government, an aggregate amount which is either equal  
15 to the Legislature's fiscal year one thousand nine hundred  
16 eighty-five—eighty six appropriation to the indigent care fund  
17 or three million dollars, whichever is less: *Provided*, That if  
18 the authority makes such an assessment, the authority shall  
19 certify that such assessment is for a one year period and is  
20 necessary for the health and wellbeing of all the citizens of  
21 the state and provide the reasons therefor.

22 (c) Each hospital assessed pursuant to subdivision (2),  
23 subsection (b) of this section shall be assessed on a pro rata  
24 basis based upon a three year average of net revenues less  
25 expenditures and taxes for each hospital's one thousand nine  
26 hundred eighty-two, one thousand nine hundred eighty-three,  
27 and one thousand nine hundred eighty-four, fiscal years  
28 weighted by the hospital's ratio of West Virginia gross  
29 medicaid revenues to gross patient revenues for the same three-  
30 year period. Payment of this assessment shall be made in four  
31 equal quarterly payments and remittable no later than the end  
32 of the month succeeding the close of each quarter.

33 (d) All moneys paid into the indigent care fund shall be used  
34 to supplement the Legislature's general appropriation to the  
35 state's medicaid program in order that the state may receive  
36 corresponding matching funds from the federal government  
37 and the state's medicaid program shall be utilized to finance  
38 the amount of inpatient and outpatient acute care hospital  
39 services practicable.

40 (e) If it is determined by the United States department of  
41 health and human services that federal medicaid funds will not  
42 be forthcoming to match all or part of the funds assessed from  
43 hospitals, that portion of the hospital assessment for which no  
44 matching federal funds will be forthcoming will not be  
45 collected from hospitals and any such hospital assessment

46 already collected will be returned to said hospitals.

47 (f) Any balance remaining in the indigent care fund at the  
48 end of the state's fiscal year shall not revert to the state  
49 treasury, but shall remain in the indigent care fund and be used  
50 consistent with subsection (d) of this section.

51 (g) The West Virginia health care cost review authority shall  
52 administer and promulgate rules and regulations to implement  
53 the provisions of this section: *Provided*, That in so doing the  
54 authority shall seek the advice of the department of human  
55 services: *Provided, however*, That nothing in this article shall  
56 be construed to give the West Virginia health care cost review  
57 authority any jurisdiction over the medicaid program or its  
58 operations.

**§16-29C-4. Legislative study; appointment of members; expenses;  
reports; termination.**

1 Not later than the first day of June, one thousand nine  
2 hundred eighty-five, the president of the Senate and speaker  
3 of the House of Delegates of the West Virginia Legislature  
4 shall appoint a legislative task force on uncompensated health  
5 care and medicaid expenditures which shall meet, study and  
6 make recommendations as herein provided.

7 The task force shall be composed of three members of the  
8 Senate appointed by the president from the membership of the  
9 Senate standing committee on health and human resources,  
10 three members of the House of Delegates appointed by the  
11 speaker from the membership of the House of Delegates  
12 standing committee on health and welfare, and a number of  
13 citizens appointed jointly by the president and speaker which,  
14 in their discretion, adequately provides for the appropriate  
15 representation of the interests of the providers of health care  
16 services, the providers of health care insurance, state  
17 departments involved in the administration of health care and  
18 health care related programs, and the citizens of this state. Of  
19 the members of the Senate appointed by the president, not  
20 more than two shall be from the same political party. Of the  
21 members of the House of Delegates appointed by the speaker,  
22 not more than two shall be from the same political party.

23 Members originally appointed to the task force shall serve  
24 for terms beginning on the date of appointment and ending

25 on the thirtieth day of June, one thousand nine hundred  
26 eighty-eight, unless sooner replaced by the president or the  
27 speaker as applicable, or, in the discretion of the president and  
28 the speaker, unless the work of the task force is completed  
29 or the need for the task force no longer exists prior to that  
30 date. The task force shall cease to exist on the thirtieth day  
31 of June, one thousand nine hundred eighty-eight.

32 The task force shall meet on such dates as may be approved  
33 by the joint committee on government and finance for the  
34 regular meetings of its subcommittees unless approval is first  
35 obtained from the joint committee on government and finance  
36 for additional meetings. The task force shall conduct studies  
37 on the amount of funds expended by hospitals and other  
38 health care providers of this state for services to persons who  
39 are unable to pay for those services and for which they receive  
40 no other form of reimbursement, the extent to which persons  
41 in this state forgo needed medical services because of  
42 insufficient income and assets to pay for those services, the  
43 extent to which the the state is maximizing available federal  
44 programs and moneys in providing health care services to the  
45 citizens of this state, the operation of the programs and funds  
46 created by this article and the roles of the public, private and  
47 private nonprofit sectors in providing health care services to  
48 the citizens of this state. The task force shall also study the  
49 state medicaid program in order to determine if the state  
50 medicaid agency, as the payor of last resort, is expending  
51 maximum effort to identify alternate private insurance  
52 resources for medicaid beneficiaries and shall study the  
53 feasibility and financial impact upon the state of assuring  
54 increased access to medicaid beneficiaries to primary health  
55 care in the nonhospital setting by requiring enrollment in a  
56 primary care clinic program, if available, and of the  
57 establishment of different and lesser schedules of payment for  
58 primary health services delivered by a hospital emergency  
59 room as compared to the schedule of payments for emergency  
60 room services of a true medical emergency nature. The task  
61 force shall make such recommendations as it deems approp-  
62 riate to address the needs identified in the studies.

63 The task force shall file an interim report with the joint  
64 committee on government and finance and the Legislature on  
65 the date of the last meeting of the joint committee on

66 government and finance prior to commencement of the regular  
67 session of the Legislature in each year before the final report  
68 of the task force is filed with the joint committee on  
69 government and finance and the Legislature on or before the  
70 thirtieth day of June, one thousand nine hundred eighty-eight.

71 The members of the task force shall be entitled to  
72 compensation at the rate authorized for members of the  
73 Legislature participating in legislative interim meetings and to  
74 reimbursement for reasonable and necessary expenses actually  
75 incurred in attending meetings of the task force, except that  
76 any employee of the state appointed to the task force is not  
77 entitled to such compensation. Funds necessary for the work  
78 of the task force shall be paid from joint appropriations to  
79 the Senate and House of Delegates but no such funds shall  
80 be spent or obligations incurred in the conduct of such work  
81 without prior approval of the joint committee on government  
82 and finance.

**§16-29C-6. Effective date and termination date.**

1 This article shall be effective from passage, and section three  
2 of this article shall terminate on the thirtieth day of June, one  
3 thousand nine hundred eighty-six. The other sections of this  
4 article shall be subject to termination pursuant to the  
5 provisions of article ten, chapter four of the code on the  
6 thirtieth day of June, one thousand nine hundred eighty-eight,  
7 unless extended by the legislation enacted prior to this  
8 termination date.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled

*Narris E. Adams*  
-----  
Chairman Senate Committee

*Floyd Fuller*  
-----  
Chairman House Committee

Originating in the House.

Takes effect from passage.

*Todd C. Whitt*  
-----  
Clerk of the Senate

*Donald L. Koff*  
-----  
Clerk of the House of Delegates

*Don Tombs*  
-----  
President of the Senate

*Joseph P. Allright*  
-----  
Speaker of the House of Delegates

The within *approved* this the *2nd*  
*Day*  
day of \_\_\_\_\_, 1985.

*Andrew Young*  
-----  
Governor



PRESENTED TO THE

GOVERNOR

Date 4/19/85

Time 8:24 p.m.