WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1985

ENROLLED
Com. Sub. for
HOUSE BILL No. 1424

(By Mr. Del. Dineen)

Passed April 13, 1985
In Effect
From Passage
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;
(b) That, as a result of this burden, hospitals in this state presently are forced to shift the cost of these uncompensated services onto private pay patients and increase substantially their charges to private pay patients;

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

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

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

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

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

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

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

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

§16-29C-3. Indigent care fund.

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

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

(1) For the state's fiscal year beginning in the year one
thousand nine hundred eighty-five, the Legislature shall make
an appropriation to the indigent care fund in an amount to
be determined by it which shall be in addition to its general
appropriation to the state's medicaid program; and

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

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

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

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

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

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

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

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

The task force shall be composed of three members of the Senate appointed by the president from the membership of the Senate standing committee on health and human resources, three members of the House of Delegates appointed by the speaker from the membership of the House of Delegates standing committee on health and welfare, and a number of citizens appointed jointly by the president and speaker which, in their discretion, adequately provides for the appropriate representation of the interests of the providers of health care services, the providers of health care insurance, state departments involved in the administration of health care and health care related programs, and the citizens of this state. Of the members of the Senate appointed by the president, not more than two shall be from the same political party. Of the members of the House of Delegates appointed by the speaker, not more than two shall be from the same political party.

Members originally appointed to the task force shall serve for terms beginning on the date of appointment and ending
on the thirtieth day of June, one thousand nine hundred eighty-eight, unless sooner replaced by the president or the speaker as applicable, or, in the discretion of the president and the speaker, unless the work of the task force is completed or the need for the task force no longer exists prior to that date. The task force shall cease to exist on the thirtieth day of June, one thousand nine hundred eighty-eight.

The task force shall meet on such dates as may be approved by the joint committee on government and finance for the regular meetings of its subcommittees unless approval is first obtained from the joint committee on government and finance for additional meetings. The task force shall conduct studies on the amount of funds expended by hospitals and other health care providers of this state for services to persons who are unable to pay for those services and for which they receive no other form of reimbursement, the extent to which persons in this state forgo needed medical services because of insufficient income and assets to pay for those services, the extent to which the state is maximizing available federal programs and moneys in providing health care services to the citizens of this state, the operation of the programs and funds created by this article and the roles of the public, private and private nonprofit sectors in providing health care services to the citizens of this state. The task force shall also study the state medicaid program in order to determine if the state medicaid agency, as the payor of last resort, is expending maximum effort to identify alternate private insurance resources for medicaid beneficiaries and shall study the feasibility and financial impact upon the state of assuring increased access to medicaid beneficiaries to primary health care in the nonhospital setting by requiring enrollment in a primary care clinic program, if available, and of the establishment of different and lesser schedules of payment for primary health services delivered by a hospital emergency room as compared to the schedule of payments for emergency room services of a true medical emergency nature. The task force shall make such recommendations as it deems appropriate to address the needs identified in the studies.

The task force shall file an interim report with the joint committee on government and finance and the Legislature on the date of the last meeting of the joint committee on
government and finance prior to commencement of the regular
session of the Legislature in each year before the final report
of the task force is filed with the joint committee on
government and finance and the Legislature on or before the
thirtieth day of June, one thousand nine hundred eighty-eight.

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

§16-29C-6. Effective date and termination date.
This article shall be effective from passage, and section three
of this article shall terminate on the thirtieth day of June, one
thousand nine hundred eighty-six. The other sections of this
article shall be subject to termination pursuant to the
provisions of article ten, chapter four of the code on the
thirtieth day of June, one thousand nine hundred eighty-eight,
unless extended by the legislation enacted prior to this
termination date.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Nassir A. El-Helou
Chairman Senate Committee

Floyd Fullen
Chairman House Committee

Originating in the House.

Takes effect from passage.

Joseph C. Blankenship
Clerk of the Senate

Donald E. Hoff
Clerk of the House of Delegates

Dan Teare
President of the Senate

Joseph P. Albaright
Speaker of the House of Delegates

The within bill having been approved by the Governor, this the 2nd day of ___________________ , 1985.

A. H. Spanos
Governor
PRESENTED TO: THE
GOVERNOR
Date 4/19/85
Time 8:24 p.m.