

2017 -- H 5428

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

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A N A C T

RELATING TO TAXATION -- NURSING FACILITY PROVIDER ASSESSMENT

Introduced By: Representatives Morin, Phillips, Casey, Serpa, and Messier

Date Introduced: February 08, 2017

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-51-3 of the General Laws in Chapter 44-51 entitled "Nursing
2 Facility Provider Assessment Act" is hereby amended to read as follows:

3 **44-51-3. Imposition of assessment -- Nursing facilities.**

4 (a) For purposes of this section, a "nursing facility" means a person or governmental unit
5 licensed in accordance with chapter 17 of title 23 to establish, maintain, and operate a nursing
6 facility.

7 (b) An assessment is imposed upon the gross patient revenue received by every nursing
8 facility in each month beginning January 1, 2008, at a rate of five and one-half percent (5.5%) for
9 services provided on or after January 1, 2008. Every provider shall pay the monthly assessment
10 no later than the twenty-fifth (25th) day of each month following the month of receipt of gross
11 patient revenue.

12 (c) The assessment imposed by this section shall be repealed on the effective date of the
13 repeal or a restricted amendment of those provisions of the Medicaid Voluntary Contribution and
14 Provider-Specific Tax Amendments of 1991 (P.L. 102-234) that permit federal financial
15 participation to match state funds generated by taxes.

16 (d) If, after applying the applicable federal law and/or rules, regulations, or standards
17 relating to health care providers, the tax administrator determines that the assessment rate
18 established in subsection (b) of this section exceeds the maximum rate of assessment that federal
19 law will allow without reduction in federal financial participation, then the tax administrator is

1 directed to reduce the assessment to a rate equal to the maximum rate which the federal law will
2 allow without reduction in federal participation. Provided, however, that the authority of the tax
3 administrator to lower the assessment rate established in subsection (b) of this section shall be
4 limited solely to such determination.

5 (e) In order that the tax administrator may properly carry out his/her responsibilities
6 under this section, the director of the department of human services shall notify the tax
7 administrator of any damages in federal law and/or any rules, regulations, or standards which
8 affect any rates for health care provider assessments.

9 (f) Any assessment imposed pursuant to this section shall be suspended for any period
10 during which a nursing facility is waiting for reimbursement payments owed to the nursing
11 facility from the department of health and human services for health care services provided.
12 Suspension of assessments pursuant to this subsection shall be provided for delays in
13 reimbursements or payments resulting from complications in the department of health and human
14 services implementation of the unified health infrastructure project (UHIP).

15 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO TAXATION -- NURSING FACILITY PROVIDER ASSESSMENT

1 This act would allow nursing facilities to suspend payment of gross patient revenue
2 assessments until such time as the department of health human services provides any
3 reimbursement owed to the nursing facilities.

4 This act would take effect upon passage.

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