



# House of Representatives

General Assembly

**File No. 47**

January Session, 2003

House Bill No. 6435

*House of Representatives, March 20, 2003*

The Committee on Public Health reported through REP. FELTMAN of the 6th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## **AN ACT CONCERNING HOSPITAL REIMBURSEMENT TO THE OFFICE OF HEALTH CARE ACCESS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (d) of section 19a-632 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2003*):

4 (d) Immediately following the close of each state fiscal year the  
5 commissioner shall recalculate the proposed assessment for each  
6 hospital based on the costs of the office in accordance with subsection  
7 (b) of this section using the actual expenditures made by the office  
8 during that fiscal year and the actual expenditures made on behalf of  
9 the office from the Capital Equipment Purchase Fund pursuant to  
10 section 4a-9. On or before [July] August thirty-first, annually, the office  
11 shall render to each hospital a statement showing the difference  
12 between the respective recalculated assessment and the amount  
13 previously paid. On or before [August thirty-first] September thirtieth,

14 the commissioner, after receiving any objections to such statements,  
15 shall make such adjustments which in [his] said commissioner's  
16 opinion may be indicated and shall render an adjusted assessment, if  
17 any, to the affected hospitals. Adjustments to reflect any credit or  
18 amount due under the recalculated assessment for the previous state  
19 fiscal year shall be made to the proposed assessment due on or before  
20 December thirty-first of the following state fiscal year.

This act shall take effect as follows:	
Section 1	<i>October 1, 2003</i>

**PH**      *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

**Explanation**

This bill extends by one month the deadline by which the Office of Health Care Access must report to each hospital its share of the difference between the prospectively determined costs of the office for a given fiscal year and the actual costs of the office as determined after the close of that same fiscal year. It similarly extends by one month the time during which objections regarding these calculations must be resolved.

These changes bring the timing of the assessment reconciliation process into alignment with the annual release of final end-of-year expenditure figures by the Office of the State Comptroller (which often occurs after July 31<sup>st</sup>). No fiscal impact is anticipated to result from its passage. The Office has historically awaited the release of the Comptroller's final numbers before issuing the required statements.

By September 1<sup>st</sup> annually, the Office prospectively determines each hospital's assessment for the state fiscal year which commenced July 1<sup>st</sup>. Quarterly payments are due from the hospitals by December 31<sup>st</sup>, March 31<sup>st</sup>, June 30<sup>th</sup> and September 30<sup>th</sup>. The December payment is adjusted to reflect the differential between the original assessment and the final actual cost for the prior fiscal year. An estimated \$3.2 million will be collected via the hospital assessment process in FY 03.

**OLR Bill Analysis**

HB 6435

***AN ACT CONCERNING HOSPITAL REIMBURSEMENT TO THE OFFICE OF HEALTH CARE ACCESS*****SUMMARY:**

This bill extends, by one month, the deadlines by which the Office of Health Care Access (OHCA) must provide information to certain hospitals concerning assessments to pay for OHCA's costs. By law, each short-term acute care general hospital and children's hospital is assessed annually for the costs of OHCA. OHCA must recalculate the proposed assessment at the end of each fiscal year, based on its costs, using actual expenditures during that fiscal year and actual expenditures from the Capital Equipment Purchase Fund.

The bill extends by one month, from July 31 to August 31 annually, the date by which OHCA must give each hospital a statement showing the difference between the recalculated assessment and the amount previously paid.

The bill also extends, from August 31 to September 30 annually, the time by which OHCA must make adjustments to these statements based on hospitals' objections, and give an adjusted assessment.

EFFECTIVE DATE: October 1, 2003

**COMMITTEE ACTION**

Public Health Committee

Joint Favorable Report

Yea 18 Nay 0