



General Assembly

February Session, 2016

Raised Bill No. 5588

LCO No. 2580



Referred to Committee on HUMAN SERVICES

Introduced by:
(HS)

**AN ACT CONCERNING THE TIMING OF PAYMENTS FROM
SUPPLEMENTAL INPATIENT PAYMENT POOLS FOR SHORT-TERM
GENERAL HOSPITALS.**

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

1 Section 1. Subsection (b) of section 17b-239e of the 2016 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective July 1, 2016*):

4 (b) The commissioner may establish a blended inpatient hospital
5 case rate that includes services provided to all Medicaid recipients and
6 may exclude certain diagnoses, as determined by the commissioner, if
7 the establishment of such rates is needed to ensure that the conversion
8 to an administrative services organization is cost neutral to hospitals in
9 the aggregate and ensures patient access. Utilization may be a factor in
10 determining cost neutrality. The Department of Social Services [may]
11 shall establish, within available appropriations, (1) a supplemental
12 inpatient payment pool for [certain] all hospitals, and (2) a
13 supplemental inpatient payment pool for certain small independent
14 hospitals. No payment shall be made from such supplemental

15 inpatient payment pools to (A) any hospital which, on or after July 1,
16 2016, is within the class of hospitals licensed by the Department of
17 Public Health as a children's general hospital, or (B) a short-term acute
18 care hospital operated exclusively by the state other than a short-term
19 acute care hospital operated by the state as a receiver pursuant to
20 chapter 920. Payments made to hospitals from such supplemental
21 inpatient payment pools shall be in addition to, and not a replacement
22 for, payments made to hospitals based on the inpatient Medicaid rates
23 established pursuant to section 17b-239.

24 (c) The commissioner shall make quarterly payments to all eligible
25 hospitals from the supplemental inpatient payment pools not later
26 than the last day of the second month of each quarter. Each quarterly
27 payment to an eligible hospital from a supplemental inpatient
28 payment pool shall equal one-quarter of that hospital's total allocated
29 portion of the applicable supplemental inpatient payment pool for that
30 year. Following issuance of payments to hospitals from a supplemental
31 inpatient payment pool for any quarter, the commissioner shall seek
32 federal matching funds under the medical assistance program for such
33 quarterly payments. Interest earned on funds in the supplemental
34 inpatient payment pools shall be credited to the pools. The funds in the
35 supplemental inpatient payment pools shall not be diverted to any
36 other state use.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2016	17b-239e(b)

Statement of Purpose:

To ensure timely and adequate payments to hospitals from supplemental inpatient payment pools and to require that the money in the payment pools not be used for any other purpose.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]