

Amendment No. 1 to SB2074

Crowe
Signature of Sponsor

AMEND Senate Bill No. 2074

House Bill No. 1656*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 71-5-1002, is amended by deleting subdivision (h)(1) in its entirety and substituting instead the following:

(1) To make expenditures for nursing facility services under the TennCare program for FY 2016-2017 at the full rates for the specified fiscal year as set in accordance with § 71-5-105(a)(3)(B)-(D), that would have been subject to reduction by the bureau of TennCare for FY 2016-2017, except for the availability of one-time funding for that year only. Payment of full rates to restore a rate reduction from the bureau of TennCare as described in this section shall be satisfied only by the money available in the fund described in this section and before making any other payments from the fund;

SECTION 2. Tennessee Code Annotated, Section 71-5-1003, is amended by deleting in subsection (a) the language "monthly" and substituting instead the language "quarterly".

SECTION 3. Tennessee Code Annotated, Section 71-5-1003, is further amended by deleting subsections (c) and (d) and substituting instead the following:

(c) The aggregated amount of assessments for all nursing facilities from July 1, 2016, through June 30, 2017, shall equal four and three-quarters percent (4.75%) of the net patient service revenue. The annual assessment for each nursing facility shall be determined as follows:

(1) Any licensed nursing home that is licensed on July 1, 2016, for fifty (50) beds or fewer shall pay an assessment rate equal to three percent (3%) of

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net patient service revenue, divided by all non-medicare days. The facility shall pay the per diem rate for each of its non-medicare days;

(2) Any licensed nursing home that on July 1, 2016, operates as part of a continuing care retirement community shall pay an assessment rate equal to three percent (3%) of net patient service revenue, divided by all non-medicare days. The facility shall pay the per diem rate for each of its non-medicare days;

(3) Any licensed nursing home providing fifty thousand (50,000) or greater medicaid patient days for the twelve (12) months ending December 31 of the prior year shall pay an assessment of two thousand two hundred twenty-five dollars (\$2,225) per licensed bed per year. The facility shall pay the per bed rate on all beds licensed as of July 1 of each year. This annual nursing home assessment fee, the high-volume medicaid threshold, or both can be modified if necessary to meet the redistribution test of 42 CFR 433.68(e)(2);

(4) Any nursing home facility that is initially licensed and commences operations after July 1, 2016, shall pay in FY 2016-2017 a prorated assessment equal to two thousand two hundred twenty-five dollars (\$2,225) per licensed bed per year, prorated to accrue from the date the nursing facility became certified to participate in TennCare. The change in ownership of an existing licensed facility shall not meet the requirements of this subdivision (c)(4);

(5) Any licensed nursing home not meeting the criteria of subdivisions (c)(1)-(4) shall pay an equal annual per facility assessment at such amounts necessary to ensure that the aggregated amount of assessments for all nursing

facilities from July 1, 2016, through June 30, 2017, shall equal four and three-quarters percent (4.75%) of the net patient service revenue; and

(6) Any facility that ceases to be licensed by the department of health shall not be required to pay assessment fees accruing after the date of its licensure termination.

SECTION 4. Tennessee Code Annotated, Section 71-5-1004, is amended by deleting in subsection (a), the language "for FY 2015-2016" and replacing it with the language "for FY 2016-2017".

SECTION 5. Tennessee Code Annotated, Section 71-5-1004, is further amended by deleting in subdivision (b)(1) the language "During FY 2015-2016" and replacing it with the language "During FY 2016-2017"; and further amending subdivision (b)(1) by deleting the language "on July 1, 2015." and replacing it with the language, "on July 1, 2016."

SECTION 6. Tennessee Code Annotated, Section 71-5-1004, is further amended by deleting in subdivision (b)(2)(A) the language "during FY 2015-2016" and replacing it with the language "during FY 2016-2017".

SECTION 7. Tennessee Code Annotated, Section 71-5-1004, is amended by deleting in subdivision (c)(1) the language "2014 acuity payment" and replacing it with the words "FY 2014-2015 acuity payment".

SECTION 8. Tennessee Code Annotated, Section 71-5-1004, is further amended by deleting in subdivision (c)(3) the language "Twenty-six percent (26%)" and substituting instead the language "Thirty percent (30%)", and further amend by deleting subdivision (c)(4) in its entirety.

SECTION 9. Tennessee Code Annotated, Section 71-5-1009, is amended by deleting the language "of any nursing home assessment fee due prior to July 1, 2015" and substituting instead the language "of any nursing home assessment fee due prior to July 1, 2016".

SECTION 10. Tennessee Code Annotated, Section 71-5-1010, is amended in subsection (a) by deleting the year "2016" and substituting instead the year "2017".

SECTION 11. Tennessee Code Annotated, Section 71-5-1412, is amended by deleting the language in subsection (c) in its entirety and replacing it with the following language:

(c) A nursing home licensed under title 68, chapter 11, part 2, shall have the right to contract with any and all managed care organizations, or the bureau of TennCare, or both for the provision of medicaid nursing facility services to persons qualified for those services under the TennCare program. No managed care organization or the bureau of TennCare shall deny that right to a nursing home, if the nursing home:

(1) Is exercising the taxable privilege to engage in the business of providing nursing home care pursuant to § 71-5-1002;

(2) Is certified by the bureau of TennCare for participation in the medicaid program; and

(3) Makes nursing home assessment installment payments, or in the alternative has established a payment plan in accordance with § 71-5-1006 and is not delinquent on that payment plan.

SECTION 12. This act shall take effect July 1, 2016, the public welfare requiring it.