
VIRGINIA STATE BUDGET

2018 Session

Budget Bill - SB29 (Introduced)

Bill Order » Part 3: Miscellaneous » Adjustments and Modifications to Tax Collections » Item 3-5.20

Provider Assessment

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§ 3-5.20 PROVIDER ASSESSMENT

A. Private acute care hospitals operating in Virginia shall pay an assessment beginning on October 1, 2018. The definition of private acute care hospitals shall exclude public hospitals, freestanding psychiatric and rehabilitation hospitals, children's hospitals, long stay hospitals, long-term acute care hospitals and critical access hospitals.

B.1. The Department of Medical Assistance Services (DMAS) shall calculate each hospital's "assessment" annually by multiplying the "assessment percentage" times "net patient service revenue" as defined below.

2. The "assessment percentage" shall be calculated as (i) 1.08 times the non-federal share of the "full cost of expanded Medicaid coverage" for newly eligible individuals under the Patient Protection and Affordable Care Act (42 U.S.C. § 1396d(y)(1)[2010]) divided by (ii) the total "net patient service revenue" for hospitals subject to the assessment. By June 1, 2018, DMAS shall report the estimated assessment payments by hospital and all assessment percentage calculations for the upcoming fiscal year to the Director, Department of Planning and Budget and Chairmen of the House Appropriations and Senate Finance Committees.

3. The "full cost of expanded Medicaid coverage" shall equal the amount estimated in the official Medicaid forecast due by November 1 of each year as required by paragraph A.1. of Item 310 of this Act. This Act estimates the cost of coverage for FY 2019 as \$80,823,953 and FY 2020 as \$226,123,826.

4. Each hospital's "net patient service revenue" equals the amount reported in the most recent Virginia Health Information (VHI) "Hospital Detail Report" as of December 15 of each year. In the first year, net patient service revenue shall be prorated by the portion of the year subject to the tax.

5. Any estimated excess or shortfall of revenue from the previous year shall be deducted from or added to the "full cost of expanded Medicaid coverage" for the next year prior to the calculation of the "assessment percentage."