

Nursing Facility Quality Care Assessment and the Healthcare Access Improvement Program; HB 2168

HB 2168 establishes a sunset date of July 1, 2030, for the Nursing Facility Quality Care Assessment and amends law concerning the hospital provider assessment known as the Health Care Access Improvement Program (HCAIP). [Note: The annual assessment rate was subsequently updated in HB 2246.]

The bill makes the following changes for the hospital provider assessment:

- The annual hospital provider assessment rate increases from 1.83 percent to 3.0 percent;
- Taxable revenue expands to include outpatient net operating revenue;
- The hospital provider assessment is based on the net operating revenue for the hospital's fiscal year three fiscal years prior to the assessment year; and
- Distributions of hospital provider assessment revenues generated from health maintenance organizations are no longer included in the assessment law.

In addition, the selection criteria of the Healthcare Access Improvement Panel (Panel), which administers HCAIP, is modified, as follows:

- The two members appointed by the Kansas Medical Society will no longer be required to be licensed to practice medicine or surgery;
- A member will be appointed by the Community Care Network of Kansas instead of by the Kansas Association for the Medically Underserved; and
- The membership of the Panel is expanded to include one member appointed by the President of the Senate, one member appointed by the Speaker of the House of Representatives, and one member from the Office of the Medicaid Inspector General, appointed by the Attorney General.

The bill requires all disbursements related to HCAIP be paid from moneys appropriated to the Health Care Access Improvement Fund (Fund) and further provides no State General Fund appropriations will be used to supplement the Fund. On July 1 of each year, the Kansas Department of Health and Environment (KDHE), with the approval of the Panel, will adjust the disbursement process to ensure the amount of disbursements does not exceed appropriations to the Fund. In addition, the bill requires the annual report created by the Panel to provide evidence that the disbursements for HCAIP have been made in accordance with disbursement provisions of the bill and are budget neutral to the SGF.

The bill requires KDHE to submit any information necessary to the federal Centers for Medicare and Medicaid Services to attempt to gain approval to implement the changes directed by the bill and also requires the Secretary of Health and Environment to certify such approval and publish notice of approval in the *Kansas Register*.