



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 278

PRINTERS NO. 813

PRIME SPONSOR: Baker

COST / (SAVINGS)

FUND	FY 2013/14	FY 2014/15
General Fund	See Fiscal Impact	See Fiscal Impact

SUMMARY: House Bill 278, Printer's Number 813, amends the Fiscal Code by setting the Medical Assistance (MA) reimbursement rate for inpatient and outpatient services provided by federally-qualified critical access hospitals. This bill will be effective immediately and apply to fiscal years beginning after June 30, 2013.

ANALYSIS: This legislation provides for MA reimbursement rates to critical access hospitals, as defined by the federal Social Security Act, at 101% of MA's allowable costs for inpatient and outpatient services. Payments to critical access hospitals shall be the sum of the difference between 101% of the MA allowable cost and MA payments received toward those costs as calculated for each hospital, in the most recent year for which complete data is available. Payments are made with state and federal funds.

Critical access hospitals must be rural, participate in the Medicare program, be located at least 35 miles from another hospital, provide 24-hour emergency care services and have an average daily census of less than 25 patients. There are 13 federally-qualified critical access hospitals in Pennsylvania.

FISCAL IMPACT: The FY2013-14 General Appropriations Act includes sufficient state and federal appropriations to reimburse 101% of the projected allowable MA costs to federally-qualified critical access hospitals. The enactment of this legislation will maintain MA reimbursement rates in line with Medicare rates in future fiscal years.

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House Appropriations Committee (R)

DATE: September 23, 2013

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.