



2023-2024 General Assembly

HOUSE BILL 228: Revenue Laws Technical, Clarifying, and Administrative Changes, Part V: Medicaid Hospital Assessments Technical Corrections

Committee:
Introduced by:
Analysis of: Part V of S.L. 2024-28

Date: August 15, 2024
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OVERVIEW: Part V of S.L. 2024-28 makes various technical changes to the Medicaid hospital assessment statutes, as follows:

- Section 5.1 clarifies the references to the Consumer Price Index (CPI) and the Medicare Economic Index (MEI) that are used to annually adjust certain components of the Medicaid hospital assessments and makes conforming changes. To correctly use the CPI and MEI to make the annual adjustments, the statutes needed to reference the "change" in those indexes rather than the indexes themselves.
- Section 5.2 rebalances the distribution of the assessment collections between public and private hospitals due to a hospital closure since the passage of the original act. Under G.S. 108A-146.17(c), the Department of Health and Human Services (DHHS) must report to the General Assembly when a hospital has closed or changed its status as either a public or private hospital, and DHHS must propose the changes to the hospital assessments that are needed as a result. In response to the closure of Martin General Hospital, DHHS submitted a report proposing the statutory changes included in this section.
- Section 5.3 treats federally-designated "rural emergency hospitals" the same as critical access hospitals under the assessments due to the fact that critical access hospitals may be eligible to convert to this new federal designation of "rural emergency hospital," which was not accounted for in the assessment statutes.
- Section 5.3A corrects a statutory citation.

This part becomes effective October 1, 2024, and applies to assessments on or after that date.

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