
ASSEMBLY BILL NO. 69—ASSEMBLYMAN GOLDWATER

PREFILED JANUARY 28, 1999

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions governing payment of hospitals for treating disproportionate share of Medicaid patients, indigent patients or other low-income patients. (BDR 38-912)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~for omitted material~~ is material to be omitted.

AN ACT relating to welfare; requiring the state plan for Medicaid to provide payment to hospitals for treating a disproportionate share of Medicaid patients, indigent patients or other low-income patients in proportion to the total uncompensated amount of the costs incurred by the hospital for health care services provided to such patients during the preceding year; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE
AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 422.387 is hereby amended to read as follows:
2 422.387 1. Before making the payments required or authorized by
3 this section, the department shall allocate money for the administrative
4 costs necessary to carry out the provisions of NRS 422.380 to 422.390,
5 inclusive. The amount allocated for administrative costs must not exceed
6 the amount authorized for expenditure by the legislature for this purpose in
7 a fiscal year ~~[. The interim finance committee may adjust the amount~~
8 ~~allowed for administrative costs.]~~ ***and must not exceed 10 percent of the***
9 ***total payments made pursuant to subsection 2.***
10 2. The state plan for Medicaid must provide:
11 (a) For the payment of the maximum amount allowable under federal
12 law and regulations after making a payment, if any, pursuant to paragraph
13 (b), to public hospitals for treating a disproportionate share of Medicaid
14 patients, indigent patients or other low-income patients, unless such
15 payments are subsequently limited by federal law or regulation.

1 (b) For a payment in an amount approved by the legislature to the
2 private hospital that provides the largest volume of medical care to
3 Medicaid patients, indigent patients or other low-income patients in a
4 county that does not have a public hospital.
5 The plan must be consistent with the provisions of NRS 422.380 to
6 422.390, inclusive, and Title XIX of the Social Security Act, ~~H~~ 42 U.S.C.
7 §§ 1396 et seq. , ~~H~~ and the regulations adopted pursuant to those
8 provisions.

9 3. *Payments made pursuant to subsection 2 must be made to each*
10 *hospital in proportion to the total uncompensated amount of the costs*
11 *incurred by the hospital for health care services provided to Medicaid*
12 *patients, indigent patients and other low-income patients during the*
13 *preceding year.*

14 4. The department may amend the state plan for Medicaid to modify
15 the methodology for establishing the rates of payment to public hospitals
16 for inpatient services, except that such amendments must not reduce the
17 total reimbursements to public hospitals for such services.

18 **Sec. 2.** This section becomes effective at 12:01 a.m. on July 1, 1999.