GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

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SENATE BILL 1413

Short Title:	Funds for Nursing Facility Rate Adjustment.	(Public)
Sponsors:	Senators Purcell; Atwater, Dannelly, Lucas, and Malone.	
Referred to:	Appropriations/Base Budget.	

May 16, 2006

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF MEDICAL ASSISTANCE, TO ADJUST AND REBASE NURSING FACILITY RATES.

The General Assembly of North Carolina enacts:

SECTION 1. Section 10.11(a)(3) of S.L. 2005-276 reads as rewritten:

"(3) Nursing facilities. – Payment for nursing facility services will be prescribed in the State Plan as established by the Department of Health and Human Services. <u>Effective October 1, 2006, the Department shall adjust and rebase case-mix reimbursement rates using 2005 cost data. Rebasing shall occur every two years thereafter to appropriately reflect increases and decreases in reported and audited costs.</u> Nursing facilities providing services to Medicaid recipients who also qualify for Medicare must be enrolled in the Medicare program as a condition of participation in the Medicaid program. State facilities are not subject to the requirement to enroll in the Medicare program. Residents of nursing facilities who are eligible for Medicare coverage of nursing facility services must be placed in a Medicare-certified bed. Medicaid shall cover facility services only after the appropriate services have been billed to Medicare. The Division of Medical Assistance shall allow nursing facility providers sufficient time from the effective date of this act to certify additional Medicare beds if necessary. In determining the date that the requirements of this subdivision become effective, the Division of Medical Assistance shall consider the regulations governing certification of Medicare beds and the length of time required for this process to be completed."

SECTION 2. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Medical Assistance, the sum of

twenty-three million dollars ($23,000,000) for the 2006-2007 fiscal year for adjustments to nursing facility rates in accordance with Section 1 of this act.

SECTION 3. This act becomes effective July 1, 2006.