

**SENATE . . . . . No. 264**

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**The Commonwealth of Massachusetts**

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PRESENTED BY:

***Steven A. Baddour***

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*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to nursing home audit disallowances..

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PETITION OF:

NAME:

DISTRICT/ADDRESS:

*Steven A. Baddour*

**SENATE . . . . . No. 264**

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By Mr. Baddour, a petition (accompanied by bill, Senate, No. 264) of Steven A. Baddour for legislation relative to nursing home audit disallowances. Elder Affairs.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 300 OF 2009-2010.]

**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Eleven**  
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An Act relative to nursing home audit disallowances..

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Notwithstanding any general or special law to the contrary, in the event the  
2 division of health care finance and policy conducts or utilizes an audit of nursing facilities’ base  
3 year costs for the purpose of reducing rates below levels that would be in effect in the absence of  
4 the audit, the division shall (1) conduct a field audit of fifty percent of total nursing facilities  
5 licensed in the base year in accordance with specified, uniform criteria; (2) inform each audited  
6 nursing facility in writing of its right to appeal to the division of administrative law appeals each  
7 and every audit disallowance to which the nursing facility is subject; (3) delay implementing the  
8 audit until all appeals by nursing facilities have been completely adjudicated by the division of  
9 administrative law appeals; (4) delay implementing the audit until the division has conducted a  
10 public hearing the notice of which describes with particularity the methodology, audit criteria  
11 and substantive standards utilized in the audit and the impact of implementing the audit on

- 12 quality care for nursing facility residents; and (5) not implement any audit disallowance that is
- 13 not fully concluded in accordance with the preceding subsections by one year after the
- 14 conclusion of the base period.