

SENATE No. 300

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

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.