

**SENATE . . . . . No. 296**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*Thomas P. Kennedy*

*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 to ensure appropriate capital payment for nursing facilities.

PETITION OF:

NAME:

*Thomas P. Kennedy*

DISTRICT/ADDRESS:

*Second Plymouth and Bristol*

**SENATE . . . . . No. 296**

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By Mr. Kennedy, a petition (accompanied by bill, Senate, No. 296) of Thomas P. Kennedy for legislation to ensure appropriate capital payment for nursing facilities. Elder Affairs.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 276 OF 2011-2012.]

**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Thirteen**  
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An Act to ensure appropriate capital payment for nursing facilities.

*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. Replace the second paragraph of Section 7 of MGL 118G with the  
2 following language:

3           Such rates for nursing homes and rest homes, as defined under section seventy-one of  
4 chapter one hundred and eleven, shall be established as of October first of each year for facilities  
5 whose rate is set on a retrospective basis and as of July first of each year for facilities whose rate  
6 is set on a prospective basis. In setting such prospective or retrospective rates of reimbursement,  
7 the executive office shall use as base year costs for rate determination purposes the reported  
8 costs of the calendar year not more than four years prior to the current rate year for operating  
9 costs and not more than one year prior to the current rate year for capital costs, adjusted for  
10 reasonableness and to incorporate any audit findings applicable to said base year costs; provided,  
11 however, that no base year cost shall be incorporated unless a comprehensive desk audit has been  
12 completed for the costs incurred in that base year. In any appeal of any matter arising out of the  
13 setting of such prospective rates of reimbursement, the aggrieved party shall not be permitted to  
14 introduce into the record of such an appeal evidence of costs for any year other than the base  
15 year used to establish the rate. Notwithstanding any other general or special law or regulation to  
16 the contrary, except as provided in chapter one hundred and eighteen E, each governmental unit  
17 shall pay to a provider of services and each state institution shall charge as a provider of health

18 care services, as the case may be, the rates for general health supplies, care and rehabilitative  
19 services and accommodations determined and certified by the executive office.