HOUSE DOCKET, NO. 2873 FILED ON: 1/19/2023

HOUSE . . . . . No. 1198

The Commonwealth of Massachusetts

PRESENTED BY:

Patricia A. Haddad

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 extend enhanced Medicaid benefits to eligible hospitals.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Patricia A. Haddad	*5th Bristol*	*1/19/2023*
James K. Hawkins	*2nd Bristol*	*2/8/2023*

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HOUSE . . . . . No. 1198

By Representative Haddad of Somerset, a petition (accompanied by bill, House, No. 1198) of Patricia A. Haddad and James K. Hawkins for legislation to extend enhanced Medicaid benefits to eligible hospitals. Health Care Financing.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

An Act to extend enhanced Medicaid benefits to eligible hospitals.

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

SECTION 1. (a) Notwithstanding any general or special law to the contrary, the secretary of health and human services shall direct monthly payments to eligible hospitals in the form of enhanced Medicaid payments, supplemental payments or other appropriate mechanism. Each payment made to an eligible hospital shall equal 5 per cent of the eligible hospital's average monthly Medicaid payments, as determined by the secretary, for inpatient and outpatient acute hospital services for the preceding year or the most recent year for which data is available; provided, however, that such enhanced Medicaid payments shall not be used in subsequent years by the secretary to calculate an eligible hospital's average monthly payment; and provided further, that such payments shall not offset existing Medicaid payments for which an eligible hospital may be qualified to receive. In any fiscal year, the total sum of all payments made to eligible hospitals under this section shall not exceed $35,000,000.

(b) The secretary may require as a condition of receiving payment any such reasonable condition of payment that the secretary determines necessary to ensure the availability, to the extent possible, of federal financial participation for the payments, and the secretary may incur expenses and the comptroller may certify amounts for payment in anticipation of expected receipt of federal financial participation for the payments.

(c) The executive office of health and human services may promulgate regulations as necessary to carry out this section.

(d) For the purposes of this section "eligible hospital" shall mean a non-profit or municipal acute care hospital licensed under section 51 of chapter 111 that: (i) has a statewide relative price less than 0.90, as calculated by the center for health information and analysis pursuant to section 10 of chapter 12C according to data from the most recent available year; (ii) has a public payer mix equal to or greater than 60 per cent, as calculated by the center for health information and analysis according to data from the most recent available year; and (iii) is not owned, financially consolidated or corporately affiliated with a provider organization, as defined by section 1 of chapter 6D, that: (A) owns or controls 2 or more acute care hospitals licensed under section 51 of chapter 111; and (B) the total net assets of all affiliated acute care hospitals within the provider organization was greater than $600,000,000 for fiscal year 2019, as calculated by the center for health information and analysis using data published in October 2020 in its databook titled Massachusetts Acute Hospital & Health System Financial Performance.

(e) For the purposes of subsection (d), a hospital's mere clinical affiliation with a provider organization, absent ownership, financial consolidation or corporate affiliation, shall not disqualify an eligible hospital from payments authorized under this section.