
By: **Delegate Redmer**
Introduced and read first time: February 13, 1998
Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Medicaid Reimbursement - Nursing Facilities**

3 FOR the purpose of establishing an occupancy standard for the determination of
4 Medicaid reimbursement of certain costs of nursing facility services; and
5 generally relating to the reimbursement of certain nursing facilities under the
6 Maryland Medical Assistance Program.

7 BY adding to
8 Article - Health - General
9 Section 15-105.1
10 Annotated Code of Maryland
11 (1994 Replacement Volume and 1997 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Health - General**

15 15-105.1.

16 (A) THE MEDICAID REIMBURSEMENT FORMULA FOR NURSING FACILITY
17 SERVICES, AS SET FORTH IN THE CODE OF MARYLAND REGULATIONS, SHALL
18 PROVIDE FOR THE ESTABLISHMENT OF A TARGET OCCUPANCY PERCENTAGE FOR
19 EACH FISCAL YEAR FOR THE PURPOSE OF DETERMINING AMOUNTS PAYABLE TO
20 SUCH FACILITIES FOR CAPITAL, ADMINISTRATIVE, AND OTHER COSTS NOT DIRECTLY
21 ATTRIBUTABLE TO THE PROVISION OF RESIDENT CARE.

22 (B) THE TARGET OCCUPANCY PERCENTAGE REQUIRED BY SUBSECTION (A) OF
23 THIS SECTION FOR ANY FISCAL YEAR SHALL BE EQUAL TO THE MEAN PERCENTAGE
24 OF OCCUPIED BEDS OF ALL NURSING FACILITIES IN THE IMMEDIATELY PRECEDING
25 FISCAL YEAR, MINUS THREE PERCENTAGE POINTS.

26 (C) HOWEVER, IF A NURSING FACILITY'S OCCUPANCY IS LESS THAN THAT
27 SPECIFIED IN SUBSECTION (B) OF THIS SECTION, THEN THAT FACILITY SHALL BE
28 REIMBURSED AT THE STATE AVERAGE MINUS THREE PERCENTAGE POINTS.

1 (D) IF A NURSING FACILITY'S OCCUPANCY IS GREATER THAN THAT SPECIFIED
2 IN SUBSECTION (B) OF THIS SECTION, THEN THAT FACILITY SHALL BE REIMBURSED
3 BASED ON ITS ACTUAL OCCUPANCY.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 June 1, 1998.