

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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SENATE BILL 1918*

Short Title: Medicaid Rate/Certain Facilities. (Public)

Sponsors: Senators Dorsett; Jones, Kinnaird, and Malone.

Referred to: Appropriations/Base Budget.

May 22, 2008

A BILL TO BE ENTITLED

1 AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN
2 SERVICES, DIVISION OF MEDICAL ASSISTANCE, TO PAY CERTAIN
3 FACILITIES THE RATE PAID FOR SHORT-TERM ACUTE CARE
4 HOSPITALS.
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6 The General Assembly of North Carolina enacts:

7 **SECTION 1.(a)** The Department of Health and Human Services, Division of
8 Medical Assistance, shall develop a policy that pays long-term acute care hospitals
9 serving Medicaid patients at the rate paid to short-term acute care hospitals under
10 Medicaid. The Department shall apply this rate to those hospitals that are:

- 11 (1) Licensed as acute care hospitals,
- 12 (2) Certified as long-term care hospitals under Medicare,
- 13 (3) Accredited by JCAHO, and
- 14 (4) Serving a case-mix index that is the same or higher than short-term
15 acute care hospitals under Medicaid.

16 **SECTION 1.(b)** The Department shall take steps to obtain the necessary
17 approval from the Centers for Medicare and Medicaid (CMS) to apply the rate provided
18 for under subsection (a) of this section.

19 **SECTION 1.(c)** In the event Medicaid prohibits application of the higher
20 rate required under subsection (a) of this section, the State shall pay the full cost of the
21 higher rate.

22 **SECTION 2.** This act becomes effective July 1, 2008.