

Senate Bill 62

By: Senators Hill of the 32nd, Shafer of the 48th, Unterman of the 45th, Miller of the 49th, Gooch of the 51st and others

AS PASSED

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 31 of the Official Code of Georgia Annotated, relating to health care, so as
2 revise provisions relating to financing and expenditures of hospitals; to revise a provision
3 relating to rates and charges for hospital authorities; to revise a provision relating to provider
4 payments by hospitals; to establish the Federal and State Funded Health Care Financing
5 Programs Overview Committee; to provide for its composition, officers, terms of office,
6 duties and responsibilities, and funding; to provide for assistance from other state officers
7 and agencies in the performance of the duties of the committee; to provide for related
8 matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Title 31 of the Official Code of Georgia Annotated, relating to health care, is amended by
12 revising Code Section 31-7-77, relating to rates and charges relating to county and municipal
13 hospital authorities, as follows:

14 "31-7-77.

15 (a) No authority shall operate or construct any project for profit. It shall fix rates and
16 charges consistent with this declaration of policy and such as will produce revenues only
17 in amounts sufficient, together with all other funds of the authority, to pay principal and
18 interest on certificates and obligations of the authority, to provide for maintenance and
19 operation of the project, and to create and maintain a reserve sufficient to meet principal
20 and interest payments due on any certificates in any one year after the issuance thereof.
21 The authority may provide reasonable reserves for the improvement, replacement, or
22 expansion of its facilities or services.

23 (b) Notwithstanding subsection (a) of this Code section or any other provisions to the
24 contrary, a joint hospital authority established pursuant to Code Section 31-7-72 which
25 operates a hospital containing more than 900 licensed beds shall only utilize revenues to
26 pay principal and interest on certificates and obligations of the authority, to pay pension

27 plan obligations of the authority existing as of January 1, 2013, and for funding projects
 28 leased by the authority to a lessee pursuant to a contract entered into in accordance with
 29 paragraph (7) of Code Section 31-7-75; provided, however, that no more than 1 percent of
 30 revenues shall be utilized to pay for personnel costs for employees or contractors of the
 31 authority."

32 SECTION 2.

33 Said title is further amended in Code Section 31-8-179.2 as enacted by 2013 Senate Bill 24,
 34 signed by the Governor and designated as Act 1, relating to the authorization to impose
 35 provider payments on hospitals, by revising paragraph (2) of subsection (a) as follows:

36 "(2) The department reduces Medicaid payment rates to hospitals as are in effect on June
 37 30, 2012; ~~or~~ reduces the provider payment rate adjustment factors utilized in developing
 38 the state Fiscal Year 2013 capitated rates for Medicaid managed care organizations; ~~or~~
 39 ~~alters any payment methodology, administrative rule, or payment policy as are in effect on~~
 40 ~~June 30, 2012, or creates any new methodology, rule, or policy that has the effect of~~
 41 ~~reducing Medicaid payments to hospitals."~~

42 SECTION 3.

43 Said title is further amended in Chapter 8, relating to care and protection of indigent and
 44 elderly patients, by adding a new article to read as follows:

45 "ARTICLE 9

46 31-8-210.

47 (a) There is created as a joint committee of the General Assembly the Federal and State
 48 Funded Health Care Financing Programs Overview Committee to be composed of one
 49 member of the House of Representatives appointed by the Speaker of the House; one
 50 member of the Senate appointed by the President of the Senate; the chairperson of the
 51 House Committee on Appropriations or his or her designee; the chairperson of the House
 52 Committee on Health and Human Services or his or her designee; the chairperson of the
 53 House Committee on Ways and Means or his or her designee; the chairperson of the Senate
 54 Appropriations Committee or his or her designee; the chairperson of the Senate Health and
 55 Human Services Committee or his or her designee; the chairperson of the Senate Finance
 56 Committee; and the minority leaders of the Senate and House of Representatives or their
 57 designees. The members of the committee shall serve two-year terms concurrent with their
 58 terms as members of the General Assembly. Beginning in 2013, and every four years
 59 thereafter, the chairperson of the committee shall be appointed by the President of the

60 Senate from the membership of the committee, and the vice chairperson of the committee
 61 shall be appointed by the Speaker of the House of Representatives from the membership
 62 of the committee. Beginning in 2015, and every four years thereafter, the chairperson of
 63 the committee shall be appointed by the Speaker of the House of Representatives from the
 64 membership of the committee, and the vice chairperson of the committee shall be
 65 appointed by the President of the Senate from the membership of the committee. The
 66 chairperson and vice chairperson shall serve terms of two years concurrent with their terms
 67 as members of the General Assembly. Vacancies in an appointed member's position or in
 68 the offices of chairperson or vice chairperson of the committee shall be filled for the
 69 unexpired term in the same manner as the original appointment. The committee shall
 70 periodically inquire into and review the actions of the board and the department under this
 71 article to evaluate the success with which the board and the department are accomplishing
 72 the statutory duties and functions as provided in this article.

73 (b) The board and the department shall cooperate with the committee, its authorized
 74 personnel, the Attorney General, the state auditor, the state accounting officer, and other
 75 state agencies in order that the charges of the committee set forth in this Code section may
 76 be timely and efficiently discharged. The committee shall, on or before the first day of
 77 January of each year, and at such other times as it deems necessary, submit to the General
 78 Assembly a report of its findings and recommendations based upon the review of the board
 79 and the department as set forth in this Code section.

80 (c)(1) The members of the committee shall receive the same compensation, per diem,
 81 expenses, and allowances for their service on the committee as is authorized by law for
 82 members of interim legislative study committees.

83 (2) The funds necessary for the purposes of the committee shall come from the funds
 84 appropriated to and available to the legislative branch of government."

85 **SECTION 4.**

86 This Act shall become effective upon its approval by the Governor or upon its becoming law
 87 without such approval.

88 **SECTION 5.**

89 All laws and parts of laws in conflict with this Act are repealed.