

Health Care

HB 1162

Brief Description: *Providing medical assistance reimbursements for small, rural hospitals.*

Sponsors: *Representatives McMorris, Cody, Alexander, Schual-Berke, Mastin, Cox, Mulliken, Sump, G. Chandler, Lisk, B. Chandler, Hatfield, Schoesler, Grant, Armstrong, Kessler, Doumit, DeBolt, Delvin, Dickerson, Kenney, Bush, Conway, Edmonds, Pflug and Haigh.*

Brief Summary of Bill

- *Enhanced reimbursement rates will be provided to rural hospitals that qualify as a Medicare Critical Access Hospital.*

Hearing Date: *2/2/01*

Staff: *Dave Knutson (786-7146).*

Background:

The federal balanced budget act of 1997 established the Critical Access Hospital Program. The Program provides enhanced reimbursement through the Medicare program for small rural hospitals that meet federal eligibility criteria. Eight rural hospitals are currently certified as Critical Access Hospitals and receive enhanced funding through the federal program. These same rural hospitals also provide large amounts of service and care for Medical Assistance recipients. There is currently no mechanism to provide small rural hospitals with enhanced reimbursement for services to medicaid recipients.

Summary of Bill:

A Medicaid Critical Access Hospital Program is established. The Department of Social and

Health Services will provide enhanced reimbursement rates for qualifying rural hospitals based on allowable costs incurred during the year.

***Effective Date:** Ninety days after adjournment of session in which bill is passed.*

***Appropriation:** None.*

***Fiscal Note:** Requested on January 25, 2001.*