

SB 1123 -- MEDICAID REIMBURSEMENT FOR NURSING HOMES

This bill creates the Elder Care Protection Act of 2004 and requires the Division of Medical Services within the Department of Social Services to annually recalculate the Medicaid per diem reimbursement rate of each nursing home facility participating as a provider in the Medicaid Program. The bill:

(1) Requires the recalculation to be performed over three state fiscal years and in three separate payments beginning July 1, 2004;

(2) Requires the recalculation to be based on a facility's reported costs which are filed with the department, beginning with the facility's fiscal year ending in 2001; and

(3) Prohibits the division from applying a minimum utilization adjustment factor to a recalculation.

The bill contains provisions pertaining to the factors used in the recalculations which begin July 1, 2004. Effective July 1, 2007, each facility will receive a full Medicaid recalculation based on its 2004 Medicaid cost report of adjusted costs.

The bill contains an emergency clause.