

AMENDMENTS TO HOUSE BILL NO. 1075

Sponsor:

Printer's No. 2089

1 Amend Bill, page 1, line 3, by inserting after

2 "Commonwealth," "

3 changing the name of the Department of Public Welfare to the
4 Department of Human Services and providing for a transition
5 period; in general powers and duties of the Department of Public
6 Welfare, further providing for county human services
7 consolidated planning and reporting; in public assistance,
8 further providing for medical assistance payments for
9 institutional care and for medical assistance benefit packages,
10 coverage, copayments, premiums and rates; in children and youth,
11 further providing for payments to counties for services to
12 children and providing for provider submissions; in intermediate
13 care facilities assessments, further providing for time periods
14 and making editorial changes; in hospital assessments, further
15 providing for authorization and for time period; in Statewide
16 quality care assessment, further defining "net inpatient
17 revenue," providing for implementation, for administration, for
18 limitations and for expiration; in Pennsylvania Trauma Systems
19 Stabilization, further providing for funding;

20 Amend Bill, page 1, line 4, by striking out "and" where it
21 occurs the second time

22 Amend Bill, page 1, line 5, by inserting after "finding"
23 ; and, in human services block grant pilot program, further
24 providing for establishment of human services block grant pilot
25 program, for powers and duties of the department, for powers and
26 duties of counties, for allocation and for use of block grant
27 funds

28 Amend Bill, page 1, by inserting between lines 5 and 6

29 The General Assembly finds and declares as follows:

30 (1) It is the purpose of this act to provide fiscal and
31 administrative support that promotes the health, safety and
32 welfare of the citizens of this Commonwealth.

33 (2) Pennsylvania, through the Department of Public

1 Welfare and the counties, provides a broad array of health
2 care and other human services to low income families,
3 children and youth, those with intellectual and physical
4 disabilities and the elderly.

5 (3) Section 24 of Article III of the Constitution of
6 Pennsylvania requires the General Assembly to adopt all
7 appropriations for the operation of government in this
8 Commonwealth. The Supreme Court has repeatedly affirmed that,
9 "It is fundamental within Pennsylvania's tripartite system
10 that the General Assembly enacts the legislation establishing
11 those programs which the State provides for its citizens and
12 appropriates the funds necessary for their operation."

13 (4) Section 11 of Article III of the Constitution of
14 Pennsylvania requires the adoption of a general appropriation
15 bill that embraces "nothing but appropriations." While actual
16 appropriation can be contained in a general appropriations
17 act, the achievement and implementation of a comprehensive
18 budget involves much more than appropriations. Ultimately,
19 the budget has to be balanced under Section 13 of Article
20 VIII of the Constitution of Pennsylvania. This may
21 necessitate changes to sources of funding and enactment of
22 statutes to achieve full compliance with these constitutional
23 provisions.

24 (5) Therefore, it is the intent of the General Assembly
25 through this act to provide further implementation of the
26 General Appropriation Act of 2013, as it affects the
27 operations and funding for the delivery of health care and
28 human services that protect our most vulnerable and needy
29 citizens.

30 (6) This act shall accomplish all of the following:

31 (i) Provide for the expansion of the Human Services
32 Block Grant Pilot Program.

33 (ii) Extend the authority for State and local
34 assessments that support hospitals and intermediate care
35 facilities for persons with an intellectual disability
36 that serve persons in the medical assistance program.

37 (iii) Provide for separate medical assistance fee-
38 for-service payments for normal newborn care and for
39 mothers' obstetrical delivery.

40 (iv) Reauthorize the nursing facility revenue
41 adjustment neutrality factor to provide continued
42 payments for nursing facilities that serve persons in the
43 medical assistance program.

44 (v) Provide for quarterly medical assistance day one
45 incentive payments to qualified nonpublic nursing
46 facilities.

47 (vi) Provide for publication of a premium schedule
48 for families with children with special needs, who
49 receive benefits under the medical assistance program.

50 (vii) Establish a process to assure that the revenue
51 of the Commonwealth is timely disbursed and expended

1 properly for the delivery of public child welfare
2 services.

3 (viii) Reauthorize the reallocation of excess funds
4 for payment to qualifying hospitals accredited or seeking
5 accreditation as Level III trauma centers.

6 (ix) Change the name of the Department of Public
7 Welfare to the Department of Human Services.

8 (x) Provide for the development and implementation
9 of an enhanced medical services delivery system.

10 Amend Bill, page 1, lines 8 through 10, by striking out all
11 of said lines and inserting

12 Section 1. Section 102 of the act of June 13, 1967 (P.L.31,
13 No.21), known as the Public Welfare Code, is amended to read:

14 Section 102. Definitions.--Subject to additional definitions
15 contained in subsequent articles of this act, the following
16 words when used in this act shall have, unless the context
17 clearly indicates otherwise, the meanings given them in this
18 section:

19 "Department" means the Department of [Public Welfare] Human
20 Services of this Commonwealth.

21 "Secretary" means the Secretary of [Public Welfare] Human
22 Services of this Commonwealth.

23 Section 2. The act is amended by adding sections to read:

24 Section 103. Redesignation.--(a) The Department of Public
25 Welfare shall be known as the Department of Human Services.

26 (b) A reference to the Department of Public Welfare in a
27 statute or a regulation shall be deemed a reference to the
28 Department of Human Services.

29 (c) In order to provide an efficient and cost-minimizing
30 transition, licenses, contracts, deeds and any other official
31 actions of the Department of Public Welfare shall not be
32 affected by the use of the designation of the department as the
33 Department of Human Services. The department may continue to use
34 the name Department of Public Welfare on badges, licenses,
35 contracts, deeds, stationery and any other official documents
36 until existing supplies are exhausted. The Department of Public
37 Welfare may substitute the title "Department of Human Services"
38 for "Department of Public Welfare" on its documents and
39 materials on such schedule as it deems appropriate.

40 (d) The Department of Human Services shall not replace
41 existing signage at department locations with the redesignated
42 name until the signs are worn and in need of replacement. This
43 transition shall be coordinated with changes in administration.

44 (e) The department shall continue to use the name Department
45 of Public Welfare on its computer systems until the time of
46 routine upgrades in each computer system in the department. The
47 change in name shall be made at the time of the routine upgrade
48 to the department computer systems.

49 Section 441.10. Enhanced medical services delivery system.--

1 (a) Any enhanced medical services delivery system developed
2 collaboratively with the United States Department of Health and
3 Human Services and approved for this Commonwealth shall consider
4 and recognize all of the following design options or reforms:
5 (1) Benefit design modifications that make the medical
6 assistance program responsive and flexible to changing needs and
7 demands, thereby allowing an expansion of coverage to additional
8 citizens of this Commonwealth.
9 (2) Improved accountability and personal responsibility
10 through cost sharing that includes reasonable low-cost premiums
11 or copay requirements, which encourage proper utilization and
12 the delivery of services to those who need them most.
13 (3) Plan design features that parallel the services and
14 benefits available to citizens of this Commonwealth with
15 commercial insurance coverage and meet the requirements of an
16 essential health benefit plan as defined under the Patient
17 Protection and Affordable Care Act (Public Law 111-148, 1124
18 Stat. 119), including the delivery of behavioral health
19 services.
20 (4) Maximized use of commercial insurance that takes an
21 integrated and market-based approach with new coverage
22 opportunities, market competition and alternatives to the
23 existing medical assistance program when determined to be more
24 fiscally sound and appropriate, including movement to the health
25 care exchange for those in the Medical Assistance for Workers
26 with Disabilities program.
27 (5) Implementation of an enhanced medical services delivery
28 system that utilizes existing or supplemental plans for medical
29 assistance programs as contracted by the department, using a
30 risk-based approach for reimbursing Medicaid managed care
31 organizations.
32 (6) Continued operation of the Children's Health Insurance
33 Program in a form that does not unnecessarily require a shift to
34 medical assistance or an enhanced medical services delivery
35 system.
36 (7) Reasonable employment and job search requirements for
37 those physically or mentally able, as well as appropriate limits
38 on nonessential benefits, such as nonemergency transportation.
39 (8) Improved access and continuity of care, with Federal and
40 State support for the use of community-based health centers,
41 medical homes, expanded scope of practice and targeted chronic
42 care, including a managed long-term care pilot program and other
43 long-term care measures, that provide coordination and delivery
44 of preventive care and assure the wellness of the served
45 population.
46 (9) Use of competitive and value-based purchasing from
47 medical providers and medical equipment suppliers that promotes
48 efficiencies and delivers value to taxpayers.
49 (10) Continued emphasis on the reduction of waste, fraud and
50 abuse in all facets of the medical services delivery and
51 provider system, with focused attention on credible allegations

1 of fraud by providers and the use of predictive modeling.

2 (11) Resolution on existing Federal deferrals and
3 disallowances as they relate to the Pennsylvania Medicaid
4 Program with minimal financial impact to the Commonwealth.

5 (12) Maintained allowance of the Commonwealth's current
6 gross receipts tax on Medicaid managed care organizations for
7 the duration of any enhanced medical services delivery system in
8 the Commonwealth.

9 (13) Application of the Federal financial participation rate
10 currently provided to the Commonwealth, based on existing
11 Federal calculations, for medical assistance and all other
12 eligible programs and services that receive a Federal match.

13 (14) Affirmation that any expanded coverage under the
14 enhanced medical services delivery system does not constitute an
15 entitlement at the Federal or State level.

16 (b) The adoption of an agreement to create an enhanced
17 medical services delivery system in this Commonwealth for adults
18 ranging from 19 to 65 years of age necessitates further
19 discussions with the United States Department of Health and
20 Human Services to ensure that it can be accomplished in an
21 integrated, cost-effective and fiscally sustainable manner and
22 that taxpayer dollars derived directly from citizens of this
23 Commonwealth, which are going to the Federal Government under
24 the Patient Protection and Affordable Care Act (Public Law 111-
25 148, 124 Stat. 119), generate services to the citizens of this
26 Commonwealth in proportion to that significant investment.

27 (c) Recognition and furtherance of the objectives set forth
28 under subsection (a) are essential as the Commonwealth
29 vigorously pursues its discussions with the United States
30 Department of Health and Human Services to develop and implement
31 an agreement with the Secretary of the United States Department
32 of Health and Human Services to expand eligibility to persons
33 described under section 1902(a)(10)(A)(i)(VIII) of the Social
34 Security Act (49 Stat. 620, 42 U.S.C. § 1396a(a)(10)(A)(i)
35 (VIII)), no later than July 1, 2014. The department shall submit
36 an application for an enhanced medical services delivery system
37 to the United States Department of Health and Human Services for
38 review no later than October 1, 2013. The department shall
39 submit a revised State plan or waiver if required to implement
40 an expansion of eligibility under this subsection.

41 (d) This section and the authority to expand eligibility
42 under an enhanced medical services delivery system shall cease
43 if the Federal medical assistance percentage under section
44 1905(y) of the Social Security Act (42 U.S.C. § 1396d(y)) is
45 less than the following:

46 (1) One hundred percent for calendar quarters in 2014, 2015
47 and 2016.

48 (2) Ninety-five percent for calendar quarters in 2017.

49 (3) Ninety-four percent for calendar quarters in 2018.

50 (4) Ninety-three percent for calendar quarters in 2019.

51 (5) Ninety percent for calendar quarters in 2020 and each

1 year thereafter.

2 (e) Commencing in fiscal year 2019-2020, continued
3 participation by recipients in an enhanced medical services
4 delivery system shall be conditioned on the options of increased
5 cost-sharing or the purchase of coverage with Federal subsidies
6 through the exchange.

7 (f) The General Assembly finds and declares as follows:

8 (1) The Commonwealth has initiated transformative
9 changes in the medical assistance health care delivery system
10 through the expansive use of managed care; alignment of
11 payment incentives; recognition of the need for rural,
12 underserved and community-based health care access; support
13 of community-based health care centers; multifaceted
14 initiatives to reduce waste, fraud and abuse; targeted
15 resources for the delivery of chronic care; and the
16 establishment of medical homes. The Commonwealth is also
17 known for its nationally recognized programs to promote
18 patient safety and the use of electronic medical records, to
19 reduce health care infections and to advance medical,
20 technological and biological research, which collectively
21 have contributed to advances in the care, treatment and cure
22 of medical disease.

23 (2) The Commonwealth established the PACE and PACENET
24 programs to provide affordable pharmaceutical drugs for our
25 seniors, which became model programs for the nation.

26 (3) The Commonwealth created the innovative Children's
27 Health Insurance Program, which also became a model for the
28 nation by providing access to comprehensive health care
29 services for children across this Commonwealth and is a vital
30 program that should be preserved.

31 (4) In 2001, the Commonwealth established a
32 nonentitlement program known as AdultBasic for the purpose of
33 providing health care insurance coverage to eligible adults
34 not otherwise eligible for medical assistance, initially
35 using funds available through the act of June 26, 2001
36 (P.L.755, No.77), known as the Tobacco Settlement Act. Any
37 agreement between the Commonwealth and the United States
38 Department of Health and Human Services on the establishment
39 of an enhanced medical assistance delivery system will serve
40 to advance these same interests.

41 (5) Commonwealth taxpayers currently provide publicly
42 subsidized health care for nearly 2,400,000 thousand citizens
43 of this Commonwealth, or almost 19% of the total population
44 of this Commonwealth, which includes coverage for a broad
45 array of mandatory and optional health care benefits.

46 Section 3. Section 443.1 (1.1)(i), (1.4) and (7)(iv) of the
47 act, amended or added June 30, 2011 (P.L.89, No.22), are
48 amended, paragraph (7) is amended by adding a subparagraph and
49 the section is amended by adding a paragraph to read:

50 Section 443.1. Medical Assistance Payments for Institutional
51 Care.--The following medical assistance payments shall be made

1 on behalf of eligible persons whose institutional care is
2 prescribed by physicians:

3 * * *

4 (1.1) Subject to section 813-G, for inpatient acute care
5 hospital services provided during a fiscal year in which an
6 assessment is imposed under Article VIII-G, payments under the
7 medical assistance fee-for-service program shall be determined
8 in accordance with the department's regulations, except as
9 follows:

10 (i) If the Commonwealth's approved Title XIX State Plan for
11 inpatient hospital services in effect for the period of July 1,
12 2010, through June 30, [2013] 2016, specifies a methodology for
13 calculating payments that is different from the department's
14 regulations or authorizes additional payments not specified in
15 the department's regulations, such as inpatient disproportionate
16 share payments and direct medical education payments, the
17 department shall follow the methodology or make the additional
18 payments as specified in the approved Title XIX State Plan.

19 * * *

20 (1.4) Subject to section 813-G, for inpatient hospital
21 services provided under the physical health medical assistance
22 managed care program during State fiscal [year] years 2012-2013,
23 2013-2014, 2014-2015 and 2015-2016, the following shall apply:

24 (A) The department may adjust its capitation payments to
25 medical assistance managed care organizations to provide
26 additional funds for inpatient hospital services.

27 (B) For an out-of-network inpatient discharge of a recipient
28 enrolled in a medical assistance managed care organization that
29 occurs in State fiscal year 2012-2013, 2013-2014, 2014-2015 or
30 2015-2016, the medical assistance managed care organization
31 shall pay, and the hospital shall accept as payment in full, the
32 amount that the department's fee-for-service program would have
33 paid for the discharge if the recipient [were] was enrolled in
34 the department's fee-for-service program.

35 (C) Nothing in this paragraph shall prohibit an inpatient
36 acute care hospital and a medical assistance managed care
37 organization from executing a new participation agreement or
38 amending an existing participation agreement on or after July 1,
39 2013.

40 * * *

41 (1.6) Notwithstanding any other provision of law or
42 departmental regulation to the contrary, the department shall
43 make separate fee-for-service APR-DRG payments for medically
44 necessary inpatient acute care general hospital services
45 provided for normal newborn care and for mothers' obstetrical
46 delivery.

47 * * *

48 (7) After June 30, 2007, payments to county and nonpublic
49 nursing facilities enrolled in the medical assistance program as
50 providers of nursing facility services shall be determined in
51 accordance with the methodologies for establishing payment rates

1 for county and nonpublic nursing facilities specified in the
2 department's regulations and the Commonwealth's approved Title
3 XIX State Plan for nursing facility services in effect after
4 June 30, 2007. The following shall apply:

5 * * *

6 (iv) Subject to Federal approval of such amendments as may
7 be necessary to the Commonwealth's approved Title XIX State
8 Plan, for each fiscal year beginning on or after July 1, 2011,
9 the department shall apply a revenue adjustment neutrality
10 factor to county and nonpublic nursing facility payment rates so
11 that the estimated Statewide day-weighted average payment rate
12 in effect for that fiscal year is limited to the amount
13 permitted by the funds appropriated by the General Appropriation
14 Act for the fiscal year. The revenue adjustment neutrality
15 factor shall remain in effect until the sooner of June 30,
16 [2013] 2016, or the date on which a new rate-setting methodology
17 for medical assistance nursing facility services which replaces
18 the rate-setting methodology codified in 55 Pa. Code Chs. 1187
19 (relating to nursing facility services) and 1189 (relating to
20 county nursing facility services) takes effect.

21 (v) Subject to Federal approval of such amendments as may be
22 necessary to the Commonwealth's approved Title XIX State Plan,
23 for fiscal year 2013-2014, the department shall make quarterly
24 medical assistance day one incentive payments to qualified
25 nonpublic nursing facilities. The department shall determine the
26 nonpublic nursing facilities that qualify for the quarterly
27 medical assistance day one incentive payments and calculate the
28 payments using the Total Pennsylvania medical assistance (PA MA)
29 days and Total Resident Days as reported by nonpublic nursing
30 facilities under Article VIII-A (relating to nursing facility
31 assessments). The department's determination and calculations
32 under this subparagraph shall be based on the nursing facility
33 assessment quarterly resident day reporting forms available on
34 October 31, January 31, April 30 and July 31. The department
35 shall not retroactively revise a medical assistance day one
36 incentive payment amount based on a nursing facility's late
37 submission or revision of its report after these dates. The
38 department, however, may recoup payments based on an audit of a
39 nursing facility's report. The following shall apply:

40 (A) A nonpublic nursing facility shall meet all of the
41 following criteria to qualify for a medical assistance day one
42 incentive payment:

43 (I) The nursing facility shall have an overall occupancy
44 rate of at least eighty-five percent during the resident day
45 quarter. For purposes of determining a nursing facility's
46 overall occupancy rate, a nursing facility's Total Resident
47 Days, as reported by the facility under Article VIII-A, shall be
48 divided by the product of the facility's licensed bed capacity,
49 at the end of the quarter, multiplied by the number of calendar
50 days in the quarter.

51 (II) The nursing facility shall have a medical assistance

1 occupancy rate of at least sixty-five percent during the
2 resident day quarter. For purposes of determining a nursing
3 facility's medical assistance occupancy rate, the nursing
4 facility's Total PA MA days shall be divided by the nursing
5 facility's Total Resident Days, as reported by the facility
6 under Article VIII-A.

7 (III) The nursing facility shall be a nonpublic nursing
8 facility for a full resident day quarter prior to the applicable
9 quarterly reporting due dates of October 31, January 31, April
10 30 and July 31.

11 (B) The department shall calculate a qualified nonpublic
12 nursing facility's medical assistance day one incentive
13 quarterly payment as follows:

14 (I) The total funds appropriated for payments under this
15 subparagraph shall be divided by four.

16 (II) To establish the quarterly per diem rate, the amount
17 under subclause (I) shall be divided by the Total PA MA days, as
18 reported by all qualifying nonpublic nursing facilities under
19 Article VIII-A.

20 (III) To determine a qualifying nonpublic nursing facility's
21 quarterly medical assistance day one incentive payment, the
22 quarterly per diem rate shall be multiplied by a nonpublic
23 nursing facility's Total PA MA days, as reported by the facility
24 under Article VIII-A.

25 (C) For fiscal year 2013-2014, the State funds available for
26 the nonpublic nursing facility medical assistance day one
27 incentive payments shall equal seven million dollars
28 (\$7,000,000).

29 * * *

30 Section 4. Section 454(a) of the act, amended June 30, 2011
31 (P.L.89, No.22), is amended to read:

32 Section 454. Medical Assistance Benefit Packages; Coverage,
33 Copayments, Premiums and Rates.--(a) Notwithstanding any other
34 provision of law to the contrary, the department shall
35 promulgate regulations as provided in subsection (b) to
36 establish provider payment rates; the benefit packages and any
37 copayments for adults eligible for medical assistance under
38 Title XIX of the Social Security Act (49 Stat 620, 42 U.S.C. §
39 1396 et seq.) and adults eligible for medical assistance in
40 general assistance-related categories; and the premium or
41 copayment requirements for disabled children whose family income
42 is above two hundred percent of the Federal poverty income
43 limit. Subject to such Federal approval as may be necessary, the
44 regulations shall authorize and describe the available benefit
45 packages and any copayments and premiums, except that the
46 department shall set forth the copayment and premium schedule
47 for disabled children whose family income is above two hundred
48 percent of the Federal poverty income limit by publishing a
49 notice in the Pennsylvania Bulletin. The department may adjust
50 such copayments and premiums for disabled children by notice
51 published in the Pennsylvania Bulletin. The regulations shall

1 also specify the effective date for provider payment rates.

2 * * *

3 Section 5. Section 704.1(g) of the act, added July 9, 1976
4 (P.L.846, No.148), is amended and the section is amended by
5 adding subsections to read:

6 Section 704.1. Payments to Counties for Services to
7 Children.--* * *

8 (g) The department shall[, within forty-five days of each
9 calendar quarter, pay fifty percent of the department's share of
10 the county institution district's or its successor's estimated
11 expenditures for that quarter.] process payments to each county
12 pursuant to this article from funds appropriated by the General
13 Assembly for each fiscal year, within 15 days of passage of the
14 general appropriation bill or by a date specified under
15 paragraphs (1), (2), (3), (4) or (5), whichever is later. The
16 department shall process the following applicable payments to
17 the county:

18 (1) By July 15, twenty-five percent of the amount of State
19 funds allocated to the county under section 709.3.

20 (2) By August 31, or upon approval by the department of the
21 county's final cumulative report for its expenditures for the
22 prior fiscal year, whichever is later, twenty-five percent of
23 the amount of State funds allocated to the county under section
24 709.3, reduced by the amount of aggregate unspent State funds
25 provided to the county during the previous fiscal year.

26 (3) By November 30, or upon approval by the department of
27 the county's report for its expenditures for the first quarter
28 of the fiscal year, whichever is later, twenty-five percent of
29 the amount of State funds allocated to the county under section
30 709.3, reduced by the amount of unspent State funds already
31 provided to the county for the first quarter of the fiscal year.

32 (4) By February 28, or upon approval by the department of
33 the county's report for its expenditures for the second quarter
34 of the fiscal year, whichever is later, twelve and five-tenths
35 percent of the amount of State funds allocated to the county
36 under section 709.3, adjusted by the amount of overspending or
37 underspending of State funds in the previous quarters, but not
38 to exceed eighty-seven and five-tenths percent of the county's
39 approved State allocation.

40 (5) Upon approval by the department of the county's final
41 cumulative report for its expenditures for the fiscal year,
42 twelve and five-tenths percent of the amount of State funds
43 allocated to the county under section 709.3, adjusted by the
44 amount of overspending or underspending of State funds in the
45 previous quarters.

46 (g.1) After the final cumulative report for expenditures has
47 been approved, if a county has adjustments to revenues or
48 expenditures for the time period covered by the expenditure
49 report in addition to the payments under subsection (g), the
50 county shall submit to the department a revised expenditure
51 report. After the report is approved, the department may adjust

1 any payment under subsection (g) to account for any revision to
2 a county's expenditure report.

3 (g.2) Service contracts or agreements shall include a timely
4 payment provision that requires counties to make payment to
5 service providers within thirty days of the county's receipt of
6 an invoice under both of the following conditions:

7 (1) The invoice satisfies the county's requirements for a
8 complete and accurate invoice.

9 (2) Funds have been appropriated to the department for
10 payments to counties under subsection (g).

11 * * *

12 Section 6. The act is amended by adding a section to read:

13 Section 704.3. Provider submissions.--(a) For fiscal year
14 2013-2014, a provider shall submit documentation of its costs of
15 providing services and the department shall use such
16 documentation, to the extent necessary, to support the
17 department's claim for Federal funding and for State
18 reimbursement for allowable direct and indirect costs incurred
19 in the provision of out-of-home placement services.

20 (b) The department shall convene a task force to include
21 representatives from public and private children and youth
22 social service agencies and other appropriate stakeholders as
23 determined by the secretary or deputy secretary for the Office
24 of Children, Youth and Families.

25 (c) The task force established under subsection (b) shall
26 develop recommendations for a methodology to determine
27 reimbursement for actual and projected costs, which are
28 reasonable and allowable, for the purchase of services from
29 providers and for other purchased services. The task force shall
30 provide written recommendations for the purchase of services
31 from providers to the General Assembly no later than April 30,
32 2014. The task force shall provide written recommendations for
33 other purchased services no later than December 31, 2014. The
34 task force shall be convened within sixty days after the
35 effective date of this section.

36 (d) As used in this section, the term "provider" means an
37 entity licensed or certified to provide twenty-four-hour out-of-
38 home community-based or institutional care and supervision of a
39 child, with the care and supervision being paid for or provided
40 by a county using Federal or State funds disbursed under this
41 article.

42 Section 7. The heading of Article VIII-C of the act, added
43 July 4, 2004 (P.L.528, No.69) is amended to read:

44 ARTICLE VIII-C

45 INTERMEDIATE CARE FACILITIES FOR [MENTALLY RETARDED] PERSONS
46 WITH AN INTELLECTUAL DISABILITY
47 ASSESSMENTS

48 Section 8. Sections 801-C, 802-C, 803-C, 804-C, 805-C, 806-
49 C, 807-C, 808-C, 809-C and 810-C of the act, added July 4, 2004
50 (P.L.528, No.69), are amended to read:

51 Section 801-C. Definitions.

1 The following words and phrases when used in this article
2 shall have the meanings given to them in this section unless the
3 context clearly indicates otherwise:

4 "Assessment." The fee implemented pursuant to this article
5 on every intermediate care facility for [mentally retarded]
6 persons with an intellectual disability.

7 "Department." The Department of Public Welfare of the
8 Commonwealth.

9 "Intermediate care facility for [mentally retarded] persons
10 with an intellectual disability" or "[ICF/MR] ICF/ID." A public
11 or private facility defined in section 1905 of the Social
12 Security Act (49 Stat. 620, 42 U.S.C. § 1905).

13 "Medicaid." The program established under Title XIX of the
14 Social Security Act (49 Stat. 620, 42 U.S.C. § 1396 et seq.).

15 "Medical assistance program" or "program." The medical
16 assistance program as administered by the Department of Public
17 Welfare.

18 "Secretary." The Secretary of Public Welfare of the
19 Commonwealth.

20 "Social Security Act." 49 Stat. 620, 42 U.S.C. § 301 et seq.
21 Section 802-C. Authorization.

22 In order to generate additional revenues for medical
23 assistance program recipients to have access to medically
24 necessary [mental retardation] intellectual disability services,
25 the department shall implement a monetary assessment on each
26 [ICF/MR] ICF/ID subject to the conditions and requirements
27 specified in this article.

28 Section 803-C. Implementation.

29 The [ICF/MR] ICF/ID assessments shall be implemented on an
30 annual basis as a health care-related tax as defined in section
31 1903(w)(3)(B) of the Social Security Act, or any amendments
32 thereto, and may be imposed and is required to be paid only to
33 the extent that the revenues generated from the assessment will
34 qualify as the State share of program expenditures eligible for
35 Federal financial participation.

36 Section 804-C. Amount.

37 The assessment rate shall be determined in accordance with
38 this article and implemented on an annual basis by the
39 department, as approved by the Governor, upon notification to
40 and in consultation with the [ICFs/MR] ICFs/ID. In each year in
41 which the assessment is implemented, the assessment rate shall
42 equal the amount established by the department subject to the
43 maximum aggregate amount that may be assessed pursuant to the 6%
44 indirect guarantee threshold set forth in 42 CFR 433.68(f)(3)(i)
45 (relating to permissible health care-related taxes [after the
46 transition period]) or any other maximum aggregate amount
47 established by law.

48 Section 805-C. Administration.

49 (a) Notice of assessment.--The secretary, before
50 implementing an assessment in any fiscal year, shall publish a
51 notice in the Pennsylvania Bulletin that specifies the amount of

1 the assessment being proposed and an explanation of the
2 assessment methodology and amount determination that identifies
3 the aggregate impact on [ICFs/MR] ICFs/ID subject to the
4 assessment. Interested parties shall have 30 days in which to
5 submit comments to the secretary. Upon expiration of the 30-day
6 comment period, the secretary, after consideration of the
7 comments, shall publish a second notice in the Pennsylvania
8 Bulletin announcing the rate of the assessment.

9 (b) Review of assessment.--Except as permitted under section
10 809-C, the secretary's determination of the aggregate amount and
11 the rate of the assessment pursuant to subsection (a) shall not
12 be subject to administrative or judicial review under 2 Pa.C.S.
13 Chs. 5 Subch. A (relating to practice and procedure of
14 Commonwealth agencies) and 7 Subch. A (relating to judicial
15 review of Commonwealth agency action) or any other provision of
16 law. No assessment implemented under this article nor forms or
17 reports required to be completed by [ICFs/MR] ICFs/ID pursuant
18 to this article shall be subject to the act of July 31, 1968
19 (P.L.769, No.240), referred to as the Commonwealth Documents
20 Law, the act of October 15, 1980 (P.L.950, No.164), known as the
21 Commonwealth Attorneys Act, or the act of June 25, 1982
22 (P.L.633, No.181), known as the Regulatory Review Act.
23 Section 806-C. Calculation.

24 Using the assessment rate implemented by the secretary
25 pursuant to section 804-C, each [ICF/MR] ICF/ID shall calculate
26 the assessment amounts it owes for a calendar quarter on a form
27 specified by the department and shall submit the form and the
28 amount owed to the department no later than the last day of that
29 calendar quarter or 30 days from the date of the department's
30 second notice published pursuant to section 805-C(a), whichever
31 is later.

32 Section 807-C. Purposes and uses.

33 No [ICF/MR] ICF/ID shall be directly guaranteed a repayment
34 of its assessment in derogation of 42 CFR 433.68 (relating to
35 permissible health care-related taxes [after the transition
36 period]), provided, however, in each fiscal year in which an
37 assessment is implemented, the department shall use the State
38 revenue collected from the assessment and any Federal funds
39 received by the Commonwealth as a direct result of the
40 assessment to fund services for persons with [mental
41 retardation] an intellectual disability.

42 Section 808-C. Records.

43 Upon request by the department, an [ICF/MR] ICF/ID shall
44 furnish to the department such records as the department may
45 specify in order to determine the assessment rate for a fiscal
46 year or the amount of the assessment due from the [ICF/MR]
47 ICF/ID or to verify that the [ICF/MR] ICF/ID has paid the
48 correct amount due. In the event that the department determines
49 that an [ICF/MR] ICF/ID has failed to pay an assessment or that
50 it has underpaid an assessment, the department shall notify the
51 [ICF/MR] ICF/ID in writing of the amount due, including

1 interest, and the date on which the amount due must be paid,
2 which shall not be less than 30 days from the date of the
3 notice. In the event that the department determines that an
4 [ICF/MR] ICF/ID has overpaid an assessment, the department shall
5 notify the [ICF/MR] ICF/ID in writing of the overpayment and,
6 within 30 days of the date of the notice of the overpayment,
7 shall either authorize a refund of the amount of the overpayment
8 or offset the amount of the overpayment against any amount that
9 may be owed to the department by the [ICF/MR] ICF/ID.

10 Section 809-C. Appeal rights.

11 An [ICF/MR] ICF/ID that is aggrieved by a determination of
12 the department as to the amount of the assessment due from the
13 [ICF/MR] ICF/ID or a remedy imposed pursuant to section 810-C
14 may file a request for review of the decision of the department
15 by the Bureau of Hearings and Appeals within the department,
16 which shall have exclusive jurisdiction in such matters. The
17 procedures and requirements of 67 Pa.C.S. Ch. 11 (relating to
18 medical assistance hearings and appeals) shall apply to requests
19 for review filed pursuant to this section except that, in any
20 such request for review, an [ICF/MR] ICF/ID may not challenge
21 the assessment rate determined by the secretary, but only
22 whether the department correctly determined the assessment
23 amount due from the [ICF/MR] ICF/ID using the assessment rate in
24 effect for the fiscal year.

25 Section 810-C. Enforcement.

26 In addition to any other remedy provided by law, the
27 department may enforce this article by imposing one or more of
28 the following remedies:

29 (1) When an [ICF/MR] ICF/ID fails to pay an assessment
30 or penalty in the amount or on the date required by this
31 article, the department may add interest at the rate provided
32 in section 806 of the act of April 9, 1929 (P.L.343, No.176),
33 known as The Fiscal Code, to the unpaid amount of the
34 assessment or penalty from the date prescribed for its
35 payment until the date it is paid.

36 (2) When an [ICF/MR] ICF/ID fails to file a report or to
37 furnish records to the department as required by this
38 article, the department may impose a penalty against the
39 [ICF/MR] ICF/ID in the amount of \$1,000 per day for each day
40 the report or required records are not filed or furnished to
41 the department.

42 (3) When an [ICF/MR] ICF/ID fails to pay all or part of
43 an assessment or penalty within 60 days of the date that
44 payment is due, the department may terminate the [ICF/MR]
45 ICF/ID from participation in the medical assistance program
46 and/or deduct the unpaid assessment or penalty and any
47 interest owed thereon from any payments due to the [ICF/MR]
48 ICF/ID until the full amount is recovered. Any such
49 termination or payment deduction shall be made only after
50 written notice to the [ICF/MR] ICF/ID.

51 (4) The secretary may waive all or part of the interest

1 or penalties assessed against an [ICF/MR] ICF/ID pursuant to
2 this article for good cause as shown by the [ICF/MR] ICF/ID.
3 Section 9. Section 811-C of the act, amended July 4, 2008
4 (P.L.557, No.44), is amended to read:

5 Section 811-C. Time periods.

6 (a) Imposition.--The assessment authorized under this
7 article shall not be imposed as follows:

8 (1) Prior to July 1, 2003, for private [ICFs/MR]
9 ICFs/ID.

10 (2) Prior to July 1, 2004, for public [ICFs/MR] ICFs/ID.

11 (3) In the absence of Federal financial participation as
12 described under section 803-C.

13 (b) Cessation.--The assessment authorized under this article
14 shall cease June 30, [2013] 2016, or earlier, if required by
15 law.

16 Section 10. Section 802-E of the act is amended by adding a
17 subsection to read:

18 Section 802-E. Authorization.

19 * * *

20 (a.1) Adjustments to assessment percentage.--

21 (1) For State fiscal years beginning after June 30,
22 2013, and subject to the advance written approval of the
23 secretary as prescribed by the department, the municipality
24 may make a uniform adjustment to an assessment percentage
25 established by ordinance under subsection (a).

26 (2) After receiving written approval under paragraph (1)
27 and before implementing an adjustment, the municipality shall
28 provide advance public notice. The notice shall specify the
29 proposed adjusted assessment percentage and identify the
30 aggregate impact on hospitals located in the municipality
31 subject to an assessment. An interested party shall have 30
32 days in which to submit comments to the municipality. Upon
33 expiration of the 30-day comment period, the municipality,
34 after consideration of the comments, shall publish a
35 subsequent notice announcing the adjusted assessment
36 percentage.

37 * * *

38 Section 11. Section 808-E of the act, reenacted October 22,
39 2010 (P.L.829, No.84), is amended to read:

40 Section 808-E. Time period.

41 (a) Cessation.--The assessment authorized under this article
42 shall cease June 30, [2013] 2016.

43 (b) Assessment.--

44 (1) A municipality shall have the power to enact the
45 assessment authorized in section 802-E(a)(2) either prior to
46 or during its fiscal year ending June 30, 2010.

47 (2) A municipality may adjust an assessment percentage
48 as specified under section 802-E(a.1) either prior to or
49 during the fiscal year in which the adjusted assessment
50 percentage takes effect.

51 Section 12. The definition of "net inpatient revenue" in

1 section 801-G of the act, amended June 30, 2011 (P.L.89, No.22),
2 is amended to read:

3 Section 801-G. Definitions.

4 The following words and phrases when used in this article
5 shall have the meanings given to them in this section unless the
6 context clearly indicates otherwise:

7 * * *

8 "Net inpatient revenue." Gross charges for facilities for
9 inpatient services less any deducted amounts for bad debt
10 expense, charity care expense and contractual allowances as
11 reported on forms specified by the department and:

12 (1) as identified in the hospital's records for the
13 State fiscal year commencing July 1, [2007] 2010; or

14 (2) as identified in the hospital's records for the most
15 recent State fiscal year, or part thereof, if amounts are not
16 available under paragraph (1).

17 * * *

18 Section 13. Section 803-G(b) of the act, amended June 30,
19 2011 (P.L.89, No.22), is amended to read:

20 Section 803-G. Implementation.

21 * * *

22 (b) Assessment percentage.--Subject to subsection (c), each
23 covered hospital shall be assessed as follows:

24 (1) for fiscal year 2010-2011, each covered hospital
25 shall be assessed an amount equal to 2.69% of the net
26 inpatient revenue of the covered hospital; and

27 (2) for fiscal years 2011-2012 [and] 2012-2013, 2013-
28 2014, 2014-2015 and 2015-2016, an amount equal to 3.22% of
29 the net inpatient revenue of the covered hospital.

30 * * *

31 Section 14. Section 804-G(a.1) of the act, amended June 30,
32 2011 (P.L.89, No.22), is amended and the section is amended by
33 adding a subsection to read:

34 Section 804-G. Administration.

35 * * *

36 (a.1) Calculation of assessment with changes of ownership.--

37 (1) If a single covered hospital changes ownership or
38 control, the department will continue to calculate the
39 assessment amount using the hospital's net inpatient revenue
40 for State fiscal year [2008-2009] 2010-2011 or for the most
41 recent State fiscal year, or part thereof, if the State
42 fiscal year [2008-2009] 2010-2011 amounts are not available.
43 The covered hospital is liable for any outstanding assessment
44 amounts, including outstanding amounts related to periods
45 prior to the change of ownership or control.

46 (2) If two or more hospitals merge or consolidate into a
47 single covered hospital as a result of a change in ownership
48 or control, the department will calculate the covered
49 hospital assessment amount using the combined net inpatient
50 revenue for State fiscal year [2008-2009] 2010-2011 or for
51 the most recent State fiscal year, or part thereof, if the

1 State fiscal year [2008-2009] 2010-2011 amounts are not
2 available, of any covered hospitals that were merged or
3 consolidated into the single covered hospital. The single
4 covered hospital is liable for any outstanding assessment
5 amounts, including outstanding amounts related to periods
6 prior to the change of ownership or control, of any covered
7 hospital that was merged or consolidated.

8 * * *

9 (a.3) Calculation of assessment for new hospitals.--A
10 hospital that begins operation as a covered hospital during a
11 fiscal year in which an assessment is in effect shall be
12 assessed as follows:

13 (1) During the State fiscal year in which a covered
14 hospital begins operation or in which a hospital becomes a
15 covered hospital, the covered hospital is not subject to the
16 assessment.

17 (2) For the State fiscal year following the State fiscal
18 year under paragraph (1), the department shall calculate the
19 hospital's assessment amount using the net inpatient revenue
20 from the State fiscal year in which the covered hospital
21 began operation or became a covered hospital.

22 (3) For the State fiscal years following the first full
23 State fiscal year under paragraph (2), the department shall
24 calculate the hospital's assessment amount using the net
25 inpatient revenue from the prior State fiscal year.

26 * * *

27 Section 15. Section 805-G(a) (3) and (b) (5) of the act,
28 amended June 30, 2011 (P.L.89, No.22), is amended and subsection
29 (b) is amended by adding paragraphs to read:
30 Section 805-G. Restricted account.

31 (a) Establishment.--There is established a restricted
32 account, known as the Quality Care Assessment Account, in the
33 General Fund for the receipt and deposit of revenues collected
34 under this article. Funds in the account are appropriated to the
35 department for the following:

36 * * *

37 (3) Any other purpose approved by the secretary for
38 inpatient hospital, outpatient hospital and hospital-related
39 services.

40 (b) Limitations.--

41 * * *

42 (4.1) For State fiscal years 2013-2014 and 2014-2015,
43 the amount used for the medical assistance payment for
44 hospitals and medical assistance managed care organizations
45 may not exceed the aggregate amount of the assessment funds
46 collected for the year less \$150,000,000.

47 (4.2) For State fiscal year 2015-2016, the amount used
48 for the medical assistance payment for hospitals and medical
49 assistance managed care organizations may not exceed the
50 aggregate amount of the assessment funds collected for the
51 year less \$140,000,000.

1 (5) The amounts retained by the department pursuant to
2 paragraphs (1), (2) [and], (4), (4.1) and (4.2) and any
3 additional amounts remaining in the restricted accounts after
4 the payments described in subsection (a) (1) and (2) are made
5 shall be used for purposes approved by the secretary under
6 subsection (a) (3).

7 * * *

8 Section 16. Section 815-G of the act, added July 9, 2010
9 (P.L.336, No.49), is amended to read:

10 Section 815-G. Expiration.

11 This article shall expire June 30, [2013] 2016.

12 Section 17. Section 805-H(c) of the act is amended by adding
13 a paragraph to read:

14 Section 805-H. Funding.

15 * * *

16 (c) Payment calculation.--

17 * * *

18 (5) Funds not used to make payments to qualifying
19 hospitals accredited or seeking accreditation as Level III
20 trauma centers shall be used to make payments to qualifying
21 hospitals accredited as Level I and Level II trauma centers.

22 * * *

23 Section 18. The heading of Article XIII of the act, added
24 September 30, 2003 (P.L.169, No.25), is amended to read:

25 Amend Bill, page 1, line 13, by striking out "2" and

26 inserting

27 19

28 Amend Bill, page 2, line 12, by striking out "3" and

29 inserting

30 20

31 Amend Bill, page 3, line 1, by striking out "4" and inserting

32 21

33 Amend Bill, page 4, lines 8 through 12, by striking out all

34 of said lines and inserting

35 Section 22. Sections 1402-B, 1404-B, 1405-B and 1406-B of
36 the act, added June 30, 2012 (P.L.668, No.80), are amended to
37 read:

38 Section 1402-B. Establishment of Human Services Block Grant
39 Pilot Program.

40 The following shall apply to the Human Services Block Grant
41 Pilot Program.

42 (1) The Human Services Block Grant Pilot Program is
43 established for the purpose of allocating block grant funds to
44 county governments to provide locally identified county-based

1 human services that will meet the service needs of county
2 residents. A county's request to participate in the block grant
3 shall be on a form and contain such information as the
4 department may prescribe.

5 (2) The department[, in its discretion,] may approve a
6 county's request based on [criteria determined by the
7 department.] the county's plan to provide human services and
8 integrate its human service programs. A county with a history of
9 participation or application to participate in the block grant
10 shall have priority over a county which has not previously
11 applied for the block grant. The department shall also consider
12 diversity in representation of counties, regarding such factors
13 as:

14 (i) Geographic location.

15 (ii) Total population.

16 (iii) Urban, rural and suburban population.

17 (iv) Proximity to a large urban area.

18 (v) County class.

19 (vi) Form of county government.

20 (vii) Whether the county is part of a local collaborative
21 arrangement.

22 (viii) The county's human services administrative structure.

23 (3) No more than [20] 30 counties may participate in the
24 block grant in any fiscal year. A county's participation in the
25 block grant is voluntary.

26 Section 1404-B. Powers and duties of counties.

27 The local county officials of each county government
28 participating in the block grant shall have the power and duty
29 to:

30 (1) Administer and disburse block grant funds for the
31 provision of county-based human services in accordance with
32 this article and regulations promulgated under section 1403-
33 B(10) and Federal requirements.

34 (2) Establish or maintain, in agreement with another
35 county or counties, local collaborative arrangements for the
36 delivery of any county-based human service. Counties may
37 establish new local collaborative arrangements under this
38 paragraph for the provision of a specific county-based human
39 service or county-based human services, subject to approval
40 by the secretary.

41 (3) Determine and redetermine, when necessary, whether a
42 person is eligible to participate in a county-based human
43 service, subject to appeal under 2 Pa.C.S. Ch. 5 Subch. B
44 (relating to practice and procedures of local agencies).

45 (4) Submit required reports under section 1403-B(b) (4).

46 (5) Submit to the department an annual Human Services
47 Block Grant Pilot Plan to include the intended delivery of
48 county-based human services by client population to be
49 served, including a detailed description of how the county
50 intends to serve its residents in the least restrictive
51 setting appropriate to their needs and the distribution and

1 the projected expenditure level of block grant funds by
2 county-based human services allocated under this article in
3 such form and containing such information as the department
4 may require. Prior to submitting the annual Human Services
5 Block Grant Pilot Plan to the department, the county shall
6 hold at least two public hearings on the plan under 65
7 Pa.C.S. Ch. 7 (relating to open meetings), which shall
8 include an opportunity for individuals and families who
9 receive services to testify about the plan.

10 (6) Submit to the department a written notice if a
11 county intends to opt out of the block grant. Such opt out
12 shall take effect at the beginning of the next State fiscal
13 year.

14 Section 1405-B. Allocation.

15 (a) Allocation.--The department shall allocate State block
16 grant funds to counties as follows:

17 (1) The department shall allocate State block grant
18 funds according to each county's proportional share of the
19 aggregate amount of the following State funds allocated for
20 fiscal year 2011-2012:

21 (i) Funds allocated to counties under the act of
22 October 5, 1994 (P.L.531, No.78), known as the Human
23 Services Development Fund Act.

24 (ii) Funds allocated to counties for mental health
25 and intellectual disability services under the act of
26 October 20, 1966 (3rd Sp.Sess., P.L.96, No.6), known as
27 the Mental Health and Intellectual Disability Act of
28 1966.

29 (iii) Funds allocated to counties for behavioral
30 health services.

31 (iv) Funds allocated to counties for drug and
32 alcohol services under section 2334 of the act of April
33 9, 1929 (P.L.177, No.175), known as The Administrative
34 Code of 1929.

35 (v) Funds allocated to counties for the provision of
36 services to the homeless.

37 (vi) Funds allocated to county child welfare
38 agencies as certain additional grants under section
39 704.1(b).

40 (2) The department shall allocate Federal block grant
41 funds to counties according to each county's fiscal year
42 2011-2012 proportional share of each Federal appropriation
43 associated with the funds identified in paragraph (1).

44 (3) Funds identified in paragraphs (1) and (2) that were
45 allocated to county local collaborative arrangements shall be
46 allocated to individual counties based on the individual
47 county population.

48 (4) The department may revise the allocation of Federal
49 funds identified in paragraph (2) as necessary to comply with
50 applicable Federal requirements.

51 (a.1) Adjustment of allocation.--The department may adjust

1 grants under this article to a county participating in the block
2 grant based on the county's demonstrated need for funds to meet
3 the specific human services needs of its residents for a fiscal
4 year. Such adjustment shall not be considered in the county's
5 allocation under subsection (a) for any subsequent fiscal year.

6 (b) Expenditure.--Each county participating in the block
7 grant shall expend its allocated block grant funds as follows:

8 (1) For State fiscal year 2012-2013, each county shall
9 expend on each of the following county-based human services
10 at least 80% of the amount the county is allocated under the
11 funds identified in subsection (a)(1) for that county-based
12 human service:

- 13 (i) Community-based mental health services.
- 14 (ii) Intellectual disability services.
- 15 (iii) Child welfare services.
- 16 (iv) Drug and alcohol treatment and prevention
17 services.
- 18 (v) Homeless assistance services.
- 19 (vi) Behavioral health services.

20 (2) For State fiscal year 2013-2014, each county shall
21 expend on each of the following county-based human services
22 at least 75% of the amount the county was allocated under the
23 funds identified in subsection (a)(1) for that county-based
24 human service:

- 25 (i) Community-based mental health services.
- 26 (ii) Intellectual disability services.
- 27 (iii) Child welfare services.
- 28 (iv) Drug and alcohol treatment and prevention
29 services.
- 30 (v) Homeless assistance services.
- 31 (vi) Behavioral health services.

32 (3) For State fiscal year 2014-2015, each county shall
33 expend on each of the following county-based human services
34 at least 50% of the amount the county is allocated under the
35 funds identified in subsection (a)(1) for that county-based
36 human service:

- 37 (i) Community-based mental health services.
- 38 (ii) Intellectual disability services.
- 39 (iii) Child welfare services.
- 40 (iv) Drug and alcohol treatment and prevention
41 services.
- 42 (v) Homeless assistance services.
- 43 (vi) Behavioral health services.

44 (4) For State fiscal year 2015-2016, each county shall
45 expend on each of the following county-based human services
46 at least 25% of the amount the county is allocated under the
47 funds identified in subsection (a)(1), for that county-based
48 human service:

- 49 (i) Community-based mental health services.
- 50 (ii) Intellectual disability services.
- 51 (iii) Child welfare services.

1 (iv) Drug and alcohol treatment and prevention
2 services.

3 (v) Homeless assistance services.

4 (vi) Behavioral health services.

5 (5) For State fiscal year 2016-2017 and thereafter,
6 counties may expend block grant funds on county-based human
7 services as determined by local need.

8 (c) Waiver.--A county may request in writing that the
9 department waive the requirements of subsection (b). [The
10 department may, in its discretion, grant the request upon good
11 cause shown by the county.] The department may grant the request
12 upon a showing by the county that specific circumstances create
13 a local need for funds to provide a human service that cannot be
14 met without a waiver, and that adequate and appropriate access
15 to other human services will remain available in the county. A
16 request for a waiver under this subsection shall specify the
17 amount of funds and the human services on which those funds will
18 be transferred and expended.

19 (d) Use of remaining funds.--Except as provided in
20 subsection (b), counties may expend the remaining block grant
21 funds on county-based human services needs as determined by
22 county officials.

23 (e) Contribution to local collaborative arrangement.--Each
24 county that is part of a local collaborative arrangement in
25 accordance with section 1404-B(2) shall contribute at a minimum
26 the percentage of funds specified in subsection (b) to the local
27 collaborative arrangement for the provision of the county-based
28 human services delivered by the local collaborative arrangement.
29 Section 1406-B. Use of block grant funds.

30 (a) General rule.--Block grant funds received by counties
31 under this article shall be used solely for the provision of
32 county-based human services.

33 (b) Reinvestment.--A county participating in the block grant
34 may submit to the department a written plan to reinvest up to 3%
35 of its block grant allocation for any State fiscal year to be
36 expended on county-based human services in the next State fiscal
37 year. The 3% limitation may be waived by the department upon
38 [good cause shown by the county.] a showing by the county that
39 it has a specific and detailed plan to reinvest the funds to
40 expand access to human services based on local need and that
41 adequate and available human services will remain available in
42 the county. A request for a waiver under this subsection shall
43 include all of the following:

44 (1) The specific amount of funds the county seeks to
45 reinvest.

46 (2) An explanation why the funds were not expended for
47 human services during the fiscal year.

48 (3) An explanation how the reinvestment will support the
49 plan submitted under section 1404-B(5).

50 (4) The projected time period for expenditure of the
51 funds.

1 (c) Eligibility.--No county shall be required to expend
2 block grant funds under this article on behalf of an individual
3 until the individual has exhausted eligibility and receipt of
4 benefits under all other existing Federal, State, local or
5 private programs.

6 (d) Allocation.--For State fiscal year 2012-2013, each
7 county in expending block grant funds shall provide local
8 matching funds for block grant funds allocated to it in the same
9 percentage as that county's aggregate local match percentage for
10 the State funds identified in section 1405-B(a) (1) in State
11 fiscal year 2010-2011. For each State fiscal year thereafter,
12 each county in expending block grant funds shall provide local
13 matching funds for State block grant funds allocated to it in
14 the same percentage as that county's aggregate local match
15 percentage for the State funds identified in section 1405-B(a)
16 (1) in State fiscal year 2011-2012.

17 (e) County obligation.--Except as provided in subsection
18 (d), counties shall have no financial obligation to provide
19 human services under this article in excess of their allocation
20 of block grant funds for any fiscal year.

21 Section 23. This act shall take effect as follows:

22 (1) The amendment or addition of sections 102 and 103 of
23 the act shall take effect December 31, 2013.

24 (2) The following provisions shall take effect
25 immediately:

26 (i) The addition of section 441.10 of the act.

27 (ii) The amendment of section 443.1(1.1)(i), (1.4)
28 and (7)(iv) and (v) of the act.

29 (iii) The amendment or addition of sections
30 704.1(g), (g.1) and (g.2) and 704.3 of the act.

31 (iv) The amendment of the heading of Article VIII-C
32 and sections 801-C, 802-C, 803-C, 804-C, 805-C, 806-C,
33 807-C, 808-C, 809-C, 810-C and 811-C of the act.

34 (v) The amendment of sections 802-E and 808-E of the
35 act.

36 (vi) The amendment or addition of the definition of
37 "net inpatient revenue" in section 801-G and sections
38 803-G(b), 804-G(a.1) and (a.3), 805-G(a) (3), (b) (4.1),
39 (4.2) and (5) and 815-G of the act.

40 (vii) The amendment of the heading of Article XIV-B,
41 and sections 1402-B, 1403-B, 1404-B, 1405-B and 1406-B of
42 the act.

43 (viii) This section.

44 (3) The remainder of this act shall take effect in 60
45 days.

