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Senate Bill No. 336

(Senators Ferns and Takubo, *original sponsors*)

[Passed March 11, 2015; in effect from passage.]

AN ACT to amend §16-29B-19 of the Code of West Virginia, 1931, as amended, relating generally to powers and duties of Health Care Authority; and eliminating power of Health Care Authority to apply penalties held in abeyance to any future rate applications filed with the authority.

Be it enacted by the Legislature of West Virginia:

That §16-29B-19 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 29B. HEALTH CARE AUTHORITY.

§16-29B-19. Rate-setting powers generally.

1 (a) The board shall have power: (1) To initiate reviews and investigations of hospital rates
2 and establish and approve such rates; (2) to initiate reviews and investigations of hospital rates for
3 specific services and the component factors which determine such rates; (3) to initiate reviews and
4 investigations of hospital budgets and the specific components of such budgets; and (4) to approve
5 or disapprove hospital rates and budgets taking into consideration the criteria set forth in section
6 twenty of this article: *Provided*, That the board may not apply penalties held in abeyance to any
7 future rate applications filed with the authority effective May 31, 2015, forward: *Provided, however*,

1 That the board shall waive all penalties held in abeyance by May 31, 2015.

2 (b) In the interest of promoting the most efficient and effective use of hospital service, the
3 board may adopt and approve alternative methods of rate determination. The board may also adopt
4 methods of charges and payments of an experimental nature which are in the public interest and
5 consistent with the purpose of this article.

6 (c) The board shall examine the need for an alternative to the current rate-setting method as
7 a means of controlling hospital costs and submit the findings, recommendations and any proposed
8 drafts of legislation, if necessary, in a report to the Legislative Oversight Commission on Health and
9 Human Resources Accountability and the Governor on or before August 1, 1998.