

**H. B. 2947**

(By Delegates McGeehan, Howell and Kurcaba)

[Introduced February 24, 2015; referred to the

Committee on Health and Human Resources then Finance.]

**FISCAL  
NOTE**

A BILL to amend and reenact §16-29B-8 of the Code of West Virginia, 1931, as amended, relating to provider tax on hospitals to fund health care cost review fund; requiring the board to assess hospitals based on net revenue.

*Be it enacted by the Legislature of West Virginia:*

That §16-29B-8 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

**ARTICLE 29B. HEALTH CARE AUTHORITY.**

**§16-29B-8. Powers generally; budget expenses of the board.**

(a) In addition to the powers granted to the board elsewhere in this article, the board may:

(1) Adopt, amend and repeal necessary, appropriate and lawful policy guidelines and rules in accordance with article three, chapter twenty-nine-a of this code: *Provided*, That subsequent amendments and modifications to any rule promulgated pursuant to this article and not exempt from the provisions of article three, chapter twenty-nine-a of this code may be implemented by emergency

1 rule;

2 (2) Hold public hearings, conduct investigations and require the filing of information relating  
3 to matters affecting the costs of health care services subject to the provisions of this article and may  
4 subpoena witnesses, papers, records, documents and all other data in connection therewith. The  
5 board may administer oaths or affirmations in any hearing or investigation;

6 (3) Apply for, receive and accept gifts, payments and other funds and advances from the  
7 United States, the state or any other governmental body, agency or agencies or from any other private  
8 or public corporation or person (with the exception of hospitals subject to the provisions of this  
9 article, or associations representing them, doing business in the State of West Virginia, except in  
10 accordance with subsection (c) of this section), and enter into agreements with respect thereto,  
11 including the undertaking of studies, plans, demonstrations or projects. Any such gifts or payments  
12 that may be received or any such agreements that may be entered into shall be used or formulated  
13 only so as to pursue legitimate, lawful purposes of the board, and shall in no respect inure to the  
14 private benefit of a board member, staff member, donor or contracting party;

15 (4) Lease, rent, acquire, purchase, own, hold, construct, equip, maintain, operate, sell,  
16 encumber and assign rights or dispose of any property, real or personal, consistent with the  
17 objectives of the board as set forth in this article: *Provided*, That such acquisition or purchase of real  
18 property or construction of facilities shall be consistent with planning by the state building  
19 commissioner and subject to the approval of the Legislature;

20 (5) Contract and be contracted with and execute all instruments necessary or convenient in  
21 carrying out the board's functions and duties; and

22 (6) Exercise, subject to limitations or restrictions herein imposed, all other powers which are

1 reasonably necessary or essential to effect the express objectives and purposes of this article.

2 (b) The board shall annually prepare a budget for the next fiscal year for submission to the  
3 Governor and the Legislature which shall include all sums necessary to support the activities of the  
4 board and its staff.

5 (c) Each hospital subject to the provisions of this article shall be assessed by the board on a  
6 pro rata basis using the gross net revenues of each hospital as reported under the authority of section  
7 eighteen of this article as the measure of the hospital's obligation. The amount of such fee shall be  
8 determined by the board except that in no case shall the hospital's obligation exceed one tenth of one  
9 percent of its gross net revenue. Such fees shall be paid on or before July 1, in each year and shall  
10 be paid into the State Treasury and kept as a special revolving fund designated "health care cost  
11 review fund", with the moneys in such fund being expendable after appropriation by the Legislature  
12 for purposes consistent with this article. Any balance remaining in said fund at the end of any fiscal  
13 year shall not revert to the treasury, but shall remain in said fund and such moneys shall be  
14 expendable after appropriation by the Legislature in ensuing fiscal years.

15 (d) Each hospital's assessment shall be treated as an allowable expense by the board.

16 (e) The board is empowered to withhold rate approvals, certificates of need and rural health  
17 system loans and grants if any such fees remain unpaid, unless exempted under subsection (g),  
18 section four, article two-d of this chapter.

NOTE: The purpose of this bill is to require the board to assess hospitals, for provider tax to fund the health care cost review fund, based on net revenue.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.