

WEST VIRGINIA LEGISLATURE

2022 REGULAR SESSION

Second

Engrossed

Committee Substitute

for

Senate Bill 574

BY SENATORS MARONEY, NELSON, TAKUBO, AND WELD

[Originating in the Committee on Health and Human

Resources; reported on February 11, 2022]

1 A BILL to amend and reenact §5-16-20 of the Code of West Virginia, 1931, as amended; and to
2 amend said code by adding thereto by adding a new section, designated §5-16-30,
3 relating to the West Virginia Public Employees Insurance Act; reimbursement of hospital
4 inpatient rates by the plan; and naming of funds within the Public Employees Insurance
5 Agency.

Be it enacted by the Legislature of West Virginia:

ARTICLE 16. WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE ACT.

§5-16-20. Expense fund.

1 The Legislature shall annually appropriate such sums as may be necessary to pay the
2 proportionate share of the administrative costs for the state as an employer, and each division,
3 agency, board, commission, or department of the state which operates out of special revenue
4 funds or federal funds or both shall pay its proportionate share of the administrative costs of the
5 insurance plan or plans authorized under the provisions of this article and such fund existing within
6 the Public Employees Insurance Agency shall be known as the State Employee Insurance Plan.
7 All other employers not operating from the state General Revenue Fund shall pay their
8 proportionate share of the administrative costs of the insurance plan or plans authorized under
9 the provisions of this article and such fund existing within the Public Employees Insurance Agency
10 shall be known as the Nonstate Employee Insurance Plan.

§5-16-25. Reserve fund.

1 Upon the effective date of this section, the finance board shall establish and maintain a
2 reserve fund for the purposes of offsetting unanticipated claim losses in any fiscal year and
3 supplementing any reimbursements made to hospitals and emergency medical service providers
4 or agencies in accordance with §5-16-30 of this code. Beginning with the fiscal year 2002 plan
5 and for each succeeding fiscal year plan, the finance board shall maintain the actuarially
6 recommended reserve in an amount no less than 10 percent of the projected total plan costs for
7 that fiscal year in the reserve fund, which is to be certified by the actuary and included in the final,

8 approved financial plan submitted to the Governor and Legislature in accordance with the
9 provisions of this article.

§5-16-30. Hospital inpatient rates.

1 (a) By July 1, 2023, the plan shall reimburse any hospital that provides inpatient care to a
2 beneficiary covered by the plan at a rate of 110 percent of the Inpatient Prospective Payment
3 System Diagnostic Related Group assigned amount then in effect for the federal fee for service
4 component of the Medicare program.

5 (b) By July 1, 2023, the plan shall reimburse any emergency medical services provider or
6 agency as defined in §16-4C-1 et seq. at a rate of 110 percent of the Medicare rate.

7 (c) Nothing in this section limits the authority of the director under §5-16-3(c) and §5-16-9
8 of this code, including, but not limited to, his or her authority to manage provider contracting and
9 payments and to designate covered and noncovered services.

10 (d) This section does not limit the authority of the director, the plan, or the plans under §5-
11 16-11 of this code.

12 (e) This section shall apply to all policies, contracts, plans, or agreements subject to this
13 section that are delivered, executed, amended, adjusted, or renewed on or after July 1, 2023.