

SECOND REGULAR SESSION

[P E R F E C T E D]

# SENATE BILL NO. 1123

92ND GENERAL ASSEMBLY

---

INTRODUCED BY SENATORS GIBBONS, SHIELDS, STOLL, KINDER, COLEMAN, STEELMAN AND CHILDERS.

Read 1st time January 21, 2004, and ordered printed.

Read 2nd time February 2, 2004, and referred to the Committee on Aging, Families, Mental and Public Health.

Reported from the Committee February 12, 2004, with recommendation that the bill do pass.

Taken up for Perfection March 3, 2004. Bill declared Perfected and Ordered Printed.

3576S.02P

TERRY L. SPIELER, Secretary.

---

## AN ACT

To amend chapter 208, RSMo, by adding thereto one new section relating to reimbursement of nursing homes, with an emergency clause.

---

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 208, RSMo, is amended by adding thereto one new section, to be known as section 208.225, to read as follows:

**208.225. 1. To implement fully the provisions of section 208.152, the division of medical services shall recalculate annually the Medicaid per diem reimbursement rates of each nursing home participating in the Medicaid program as a provider of nursing home services based on its costs reported in the Title XIX cost report filed with the division of medical services for its fiscal year preceding the two facility fiscal years preceding the effective date of the recalculated rates.**

**2. The recalculation of Medicaid rates to all Missouri facilities will be performed over three state fiscal years in three separate payments beginning July 1, 2004, as follows:**

**(1) Effective July 1, 2004, the department of social services shall use the Medicaid cost report containing adjusted costs for the facility fiscal year ending in 2001 and redetermine the allowable per patient day costs for each facility. The department shall recalculate the class ceilings in the patient care, one hundred twenty percent of the median; ancillary, one hundred twenty percent of the median; and administration, one hundred ten percent of the median cost centers. Each facility shall receive as a rate increase one-third of the amount that**

is unpaid based on the recalculated cost determination;

(2) Effective July 1, 2005, the department shall perform the same calculations described in subdivision (1) of this subsection, except that the calculations will be performed using the Medicaid cost report containing adjusted costs for the facility fiscal year ending in 2002. The facility shall receive as a rate increase one-third of the amount that it is underpaid;

(3) Effective July 1, 2006, the department shall perform the same calculations described in subdivision (1) of this subsection, except that the calculations will be performed using the Medicaid cost report containing adjusted costs for the facility fiscal year ending in 2003. The facility shall receive as a rate increase one-third of the amount that it is underpaid;

(4) Effective July 1, 2007, each facility shall receive a full Medicaid rate recalculation based upon its 2004 Medicaid cost report of adjusted costs.

Section B. Because of the need to recalculate Medicaid rates for Missouri facilities, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval or July 1, 2004, whichever later occurs.

<sup>T</sup>  
Bill

Copy