

## LEGISLATIVE BILL 292

Approved by the Governor April 4, 2007

Introduced by Hansen, 42; Harms, 48; Johnson, 37

FOR AN ACT relating to public health and welfare; to amend sections 68-104 and 68-1803, Revised Statutes Cumulative Supplement, 2006; to authorize transfers of public assistance funds from counties to the state as prescribed; to change the rate of tax on intermediate care facilities for the mentally retarded; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 68-104, Revised Statutes Cumulative Supplement, 2006, is amended to read:

68-104 The Department of Health and Human Services shall be the overseer of the poor and shall be vested with the entire and exclusive superintendence of the poor in this state, except that the county board of each county shall furnish such medical service as may be required for the poor of the county who are not eligible for other medical assistance programs and general assistance for the poor of the county. Any person who is or becomes ineligible for other medical assistance programs due to his or her own actions or inactions shall also be ineligible for medical services from the county.

The county board of each county shall administer the medical assistance provided pursuant to this section. A county board may enter into an agreement with the Department of Health and Human Services which allows the department to aid in the administration of such medical assistance program. In providing medical and hospital care for the poor, the county board shall make use of any existing facilities, including tax-supported hospitals and charitable clinics so far as the same may be available, and shall use the financial eligibility criteria established for the standard of need developed by the county pursuant to section 68-126.

A county board may transfer funds designated for public assistance to the Department of Health and Human Services for purposes of payments to providers who serve eligible recipients of medical assistance or low-income uninsured persons and meet federal and state disproportionate-share payment requirements pursuant to subdivision (2)(c) of section 68-910.

Sec. 2. Section 68-1803, Revised Statutes Cumulative Supplement, 2006, is amended to read:

68-1803 (1) Each intermediate care facility for the mentally retarded shall pay a tax equal to ~~six percent~~ a percentage of its net revenue for the most recent State of Nebraska fiscal year. The percentage shall be (a) six percent prior to January 1, 2008, (b) five and one-half percent beginning January 1, 2008, through September 30, 2011, and (c) six percent beginning October 1, 2011.

(2) Taxes collected under this section shall be remitted to the State Treasurer for credit to the ICF/MR Reimbursement Protection Fund.

(3) Taxes collected pursuant to this section shall be reported on a separate line on the cost report of the intermediate care facility for the mentally retarded, regardless of how such costs are reported on any other cost report or income statement. The department shall recognize such tax as an allowable cost within the state plan for reimbursement of intermediate care facilities for the mentally retarded which participate in the medical assistance program. The tax shall be a direct pass-through and shall not be subject to cost limitations.

Sec. 3. Original sections 68-104 and 68-1803, Revised Statutes Cumulative Supplement, 2006, are repealed.