

1 HB557
2 145782-4
3 By Representative Scott
4 RFD: Health
5 First Read: 04-APR-13

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8 SYNOPSIS: Currently the counties of this state are not
9 designated as the responsible agency for health
10 care transportation, hospital care, or providing of
11 health care to indigent patients domiciled in that
12 county for a certain period of time.

13 This bill would provide that each county of
14 this state would be the responsible agency for
15 health care transportation, hospital care, or
16 primary health care provider to indigent patients
17 domiciled in that county for a certain period of
18 time.

19 This bill would prohibit payments to a
20 hospital or primary health care provider from the
21 funds designated solely for the working poor or
22 indigent for services, unless the hospital or
23 primary health care provider is an approved
24 provider.

25 This bill would prohibit an action for
26 collection against an indigent patient or the
27 person who is legally responsible for the care of

1 the indigent or working patient who is Medicaid
2 eligible for Medicaid covered services, nor shall
3 an action be allowed against the person during the
4 time that person is Medicaid eligible.

5 This bill would create a County Indigent
6 Health Care Board and provide for its powers and
7 duties.

8 This bill would require each board to file
9 an indigent health care report.

10 This bill would create a statewide Working
11 Poor and Indigent Fund and provide for the
12 disbursement of the proceeds in the fund.

13 This bill would create a County Indigent
14 Hospital Claims Fund and provide for the
15 disbursement of the proceeds in the fund.

16 This bill would require the board to
17 annually certify the amount needed for indigent
18 health care to the county commission.

19 This bill would, subject to approval of the
20 residents of the county, levy an additional fee or
21 tax from any source for indigent health care.

22 This bill would provide for subrogation of
23 claims.

24 This bill would require each health care
25 transportation service, hospital, or primary health
26 care provider to file a report with the board
27 containing certain information.

1 This bill would provide the procedure for
2 payment of claims to medical providers.

3 This bill would provide the procedure for a
4 hospital or health care transportation service
5 aggrieved by any decision of the board to file an
6 appeal.

7 This bill would provide for the duties of
8 each county in regard to sole community provider
9 hospital payments.

10 This bill would allow the board to recover
11 costs and provide a presumption of payment.

12 This bill would provide a limitation on
13 liens filed by the board.

14 This bill would prohibit the Alabama
15 Department of Human Resources from decreasing the
16 amount of any assistance payments made to the
17 hospitals or health care providers of this state
18 pursuant to law because of any financial
19 reimbursement made to health care transportation
20 services, hospitals, or primary care providers for
21 indigent or Medicaid eligible patients.

22 This bill would provide criminal penalties
23 for a violation of this act.

24 Amendment 621 of the Constitution of Alabama
25 of 1901, now appearing as Section 111.05 of the
26 Official Recompilation of the Constitution of
27 Alabama of 1901, as amended, prohibits a general

1 law whose purpose or effect would be to require a
2 new or increased expenditure of local funds from
3 becoming effective with regard to a local
4 governmental entity without enactment by a 2/3 vote
5 unless: it comes within one of a number of
6 specified exceptions; it is approved by the
7 affected entity; or the Legislature appropriates
8 funds, or provides a local source of revenue, to
9 the entity for the purpose.

10 The purpose or effect of this bill would be
11 to require a new or increased expenditure of local
12 funds within the meaning of the amendment. However,
13 the bill does not require approval of a local
14 governmental entity or enactment by a 2/3 vote to
15 become effective because it comes within one of the
16 specified exceptions contained in the amendment.

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT

21
22 Relating to the Working Poor and Indigent Health
23 Care; to establish a board in each county which shall be the
24 responsible agency for health care transportation, hospital
25 care, or the primary health care provider to the working poor
26 or indigent patients domiciled in that county for a certain
27 period of time; to prohibit payments to a hospital or primary

1 health care provider from funds designated solely for the
2 working poor and indigent for services provided to those
3 patients who have been determined by the Alabama Department of
4 Human Resources to be eligible for Medicaid reimbursement; to
5 prohibit an action for collection against an indigent patient
6 or the person who is legally responsible for the care of the
7 patient who is Medicaid eligible; to create a County Hospital
8 and County Health Care Board and provide for its powers and
9 duties; to require each board to file an indigent health care
10 report; to create a statewide Working Poor and Indigent Fund
11 and provide for the disbursement of the proceeds in the fund;
12 to create a Working Poor and Indigent Hospital Claims Fund and
13 provide for the disbursement of the proceeds in the fund; to
14 require each board to annually certify the amount needed for
15 indigent health care to the county commission; to, subject to
16 the approval of the residents of the county, allow the county
17 to levy an additional fee or tax for indigent health care; to
18 provide for subrogation of claims; to require each health care
19 transportation service, hospital, or primary health care
20 provider to file a report with the board containing certain
21 information; to provide the procedure for payment of claims to
22 medical providers; to provide the procedure for a hospital,
23 primary health care provider, or health care transportation
24 service aggrieved by any decision of the board to file an
25 appeal; to provide for the duties of each county in sole
26 community provider hospital payments; to allow the board to
27 recover costs and provide a presumption of payment; to provide

1 a limitation on liens; to prohibit the Alabama Department of
2 Human Resources from decreasing the amount of any assistance
3 payments made to the hospitals or primary health care
4 providers of this state pursuant to law because of any
5 financial reimbursement made to health care transportation
6 services, hospitals, or primary health care providers for
7 indigent or Medicaid eligible patients; to provide criminal
8 penalties; and in connection therewith would have as its
9 purpose or effect the requirement of a new or increased
10 expenditure of local funds within the meaning of Amendment 621
11 of the Constitution of Alabama of 1901, now appearing as
12 Section 111.05 of the Official Recompilation of the
13 Constitution of Alabama of 1901, as amended.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. This act shall be known and may be cited
16 as the "Working Poor and Indigent Hospital and County Health
17 Care Act."

18 Section 2. The Legislature declares that the purpose
19 of this legislation is as follows:

20 (1) To recognize that each county is the responsible
21 agency for health care transportation, hospital care, or the
22 providing of health care to indigent patients domiciled in
23 that county for at least three months, as determined by the
24 County Hospital and County Health Care Board.

25 (2) To provide a means where each county may
26 discharge this responsibility through a system of payments to
27 health care transportation providers, hospitals, or primary

1 health care providers for the care and treatment of, or
2 providing health care services to indigent patients.

3 (3) To recognize that each county is responsible for
4 supporting indigent patients by providing local revenues to
5 match federal funds for the state Medicaid program.

6 (4) To recognize that each county can improve the
7 provision of health care to indigent patients by providing
8 local revenues for countywide or multi-county health planning.

9 Section 3. As used in this act, the following terms
10 shall have the following meanings:

11 (1) ALCOHOL REHABILITATION CENTER. An agency of
12 local government, a state agency, a private nonprofit entity
13 or combination thereof that operates alcohol abuse
14 rehabilitation programs that meet the standards set by the
15 Alabama Department of Public Health.

16 (2) BOARD. A County Hospital and County Health Care
17 Board.

18 (3) COST. All allowable costs of providing health
19 care services, as determined by resolution of a board, for an
20 indigent patient. Allowable costs shall be based on Medicaid
21 fees for service reimbursement rates for hospitals, licensed
22 medical doctors, and osteopathic physicians.

23 (4) DEPARTMENT. The Alabama Department of Human
24 Resources.

25 (5) DRUG REHABILITATION CENTER. An agency of local
26 government, a state agency, a private nonprofit entity or
27 combination thereof that operates drug abuse rehabilitation

1 programs that meet the standards and requirements set by the
2 Department of Public Health.

3 (6) FUND. A county indigent hospital claims fund.

4 (7) HEALTH CARE PROVIDER. Any of the following:

5 a. A nursing home.

6 b. An in-state home health agency.

7 c. An in-state licensed hospice.

8 d. A community-based health program operated by a
9 political subdivision of the state or other non-profit health
10 organization that provides prenatal care delivered by State of
11 Alabama licensed, certified, or registered health care
12 practitioners.

13 e. A community-based health program operated by a
14 political subdivision of the state or other nonprofit health
15 care organization that provides primary care delivered by
16 State of Alabama licensed, certified, or registered health
17 care practitioners.

18 f. A drug rehabilitation center.

19 g. An alcohol rehabilitation center.

20 h. A mental health center.

21 i. A licensed medical doctor, osteopathic physician,
22 dentist, optometrist, or expanded practice nurse when
23 providing emergency services, as determined by the board, in a
24 hospital to an indigent patient.

25 j. A licensed medical doctor or osteopathic
26 physician, dentist, optometrist, or expanded practice nurse
27 when providing services in an outpatient setting, as

1 determined by the board, to an indigent patient with a
2 life-threatening illness or disability.

3 (8) HEALTH CARE SERVICES. Treatment and services
4 designed to promote improved health in the county indigent
5 population, including primary care, prenatal care, dental
6 care, provision of prescription drugs, preventive care or
7 health outreach services, to the extent determined by
8 resolution of the board.

9 (9) HEALTH CARE TRANSPORTATION PROVIDER or HEALTH
10 CARE TRANSPORTATION SERVICE. A specialized carrier based in
11 the state authorized under provisions and subject to
12 limitations as provided in individual carrier certificates
13 issued by the Public Service Commission to transport persons
14 alive, dead, or dying en route by means of health care
15 transportation service. The rates and charges established by
16 the Public Service Commission shall govern as to allowable
17 cost. Also included are air health care transportation
18 services approved by the board.

19 (10) HOSPITAL. A general or limited hospital
20 licensed by the Alabama Department of Public Health, whether
21 nonprofit or owned by a political subdivision, and may include
22 by resolution of the board the following health facilities if
23 licensed or, in the case of out-of-state hospitals, approved
24 by the Department of Public Health:

25 a. For-profit hospitals.

26 b. State-owned hospitals.

1 c. Licensed out-of-state hospitals where treatment
2 provided is necessary for the proper care of an indigent
3 patient if that care is not available in an in-state hospital.

4 (11) INDIGENT PATIENT. A person or a minor who has
5 received health care transportation or medical care, or both,
6 whose parent or the person having custody of that minor would
7 qualify as an indigent patient to whom a health care
8 transportation service, a hospital, or a health care provider
9 has provided medical care, health care transportation service,
10 or health care services and who can normally support himself
11 or herself and his or her dependents on present income and
12 liquid assets available to him or her but, taking into
13 consideration this income and those assets and his or her
14 requirement for other necessities of life for himself or
15 herself and his or her dependents, is unable to pay the cost
16 of the health care transportation or medical care
17 administered, or both. If provided by resolution of a county
18 commission, this term may not include any person whose annual
19 income, together with the annual income of his or her spouse,
20 totals an amount that is 50 percent greater than the per
21 capita personal income for residents of this state shown for
22 the most recent year available in the survey of current
23 business published by the United States Department of
24 Commerce. Each board that has a balance remaining in the fund
25 at the end of a given fiscal year shall consider and may adopt
26 at the first meeting of the succeeding fiscal year a
27 resolution increasing the standard for indigency.

1 (12) MEDICAID ELIGIBLE. A person who is eligible for
2 medical assistance from the department.

3 (13) MENTAL HEALTH CENTER. A not-for-profit center
4 that provides outpatient mental health services that meets the
5 standards set by the Alabama Department of Public Health.

6 (14) PLANNING. The development of a countywide or
7 multi-county health plan to improve and fund health services
8 in the county based on the county's needs assessment and
9 inventory of existing services and resources and that
10 demonstrates coordination between the county, state, or local
11 health planning efforts.

12 (15) SOLE COMMUNITY PROVIDER HOSPITAL. A hospital
13 that is a sole community provider hospital under the
14 provisions of the federal Medicaid guidelines.

15 Section 4. (a) (1) There is created within each
16 county a "County Hospital and County Health Care Board" hereby
17 created to serve as an advisory board County Hospital and
18 County Health Care Board which shall be composed if applicable
19 of the following:

20 a. One member of the county commission appointed by
21 the commission.

22 b. The president of the regional hospital
23 association that serves the county.

24 c. The presidents of each two-year college or his or
25 her designee.

26 d. The county health officer or his or her designee.

1 e. The dean of a school of public health located in
2 the county.

3 f. A individual who is an owner, operator, or
4 administrator of a facility located in or serves the county
5 who is a member of the Alabama Nursing Home Association
6 appointed by the association.

7 g. A pharmacist who is a resident of the county and
8 a member of the Alabama Pharmacy Association appointed by the
9 association.

10 h. A nurse who is a resident of the county and a
11 member of the Alabama State Nurses Association appointed by
12 the association.

13 i. A mental health counselor who is a resident of
14 the county and a member of the Alabama Mental Health
15 Association shall be appointed by the association.

16 j. An accountant who is a resident of the county and
17 a member of the Alabama Association of Accountants appointed
18 by the association.

19 k. A health care advocate who is a resident of the
20 county appointed by the county commission.

21 l. The county manager or, if there is no county
22 manager, a person designated by the county commission.

23 (2) The board shall designate its officers within 90
24 days after the appointment. The members of the board shall
25 compile a bi-annual report detailing the need of the county
26 for indigent health care and make other relevant findings and

1 recommendations including identifying any source of funding
2 for the indigent health care.

3 (b) The members of the board shall receive no
4 compensation for their service on the board, but shall be
5 reimbursed for their actual per diem and mileage in an amount
6 not to exceed the per diem and mileage paid to county
7 commissioners.

8 Section 5. Each board shall file an annual report
9 with the county commission on all indigent health care funding
10 provided by the board. The report shall contain the county's
11 eligibility criteria for indigent patients, services provided
12 to indigent patients, restrictions on services provided to
13 indigent patients, conditions for reimbursement to providers
14 of health care, revenue sources used to pay for indigent
15 health care and other related information as determined by the
16 board. The report shall be submitted by October 1 of each year
17 on a form provided by the board. The board shall make the
18 report available to interested parties.

19 Section 6. The board shall have the following powers
20 and duties:

21 (1) It shall administer claims pursuant to the
22 provisions of this act.

23 (2) It shall prepare and submit a budget to the
24 appropriate county commission for the amount needed to defray
25 claims made upon the fund and to pay costs of administration
26 of this act and the costs of development of a countywide or
27 multi-county health plan. The combined costs of administration

1 and planning may not exceed the following percentages of
2 revenues based on the previous fiscal year revenues for a fund
3 that has existed for at least one fiscal year or based on
4 projected revenues for the year being budgeted for a fund that
5 has existed for less than one fiscal year. The percentage of
6 the revenues in the fund that may be used for the combined
7 administrative and planning costs is equal to the sum of the
8 following:

9 a. Ten percent of the amount of the revenues in the
10 fund not over five hundred thousand dollars (\$500,000).

11 b. Eight percent of the amount of the revenues in
12 the fund over five hundred thousand dollars (\$500,000) but not
13 over one million dollars (\$1,000,000), and four and one-half
14 percent of the amount of the revenues in the fund over one
15 million dollars (\$1,000,000).

16 (3) It shall make rules necessary to carry out this
17 act, except that the standards for eligibility and allowable
18 costs for county indigent patients shall be no more
19 restrictive than the standards for eligibility and allowable
20 costs prior to December 31, 2012.

21 (4) It shall set criteria and cost limitations for
22 medical care furnished by licensed out-of-state hospitals,
23 health care transportation services, or health care providers.

24 (5) It shall cooperate with appropriate state
25 agencies to use available funds efficiently and to make health
26 care more available.

1 (6) It shall cooperate with the department in making
2 an investigation to determine the validity of claims made upon
3 the fund for an indigent patient.

4 (7) It may accept contributions or other county
5 revenues, which shall be deposited in the fund.

6 (8) It may hire personnel to carry out this act.

7 (9) It shall review all claims presented by a
8 hospital, health care transportation service, or health care
9 provider to determine compliance with the rules adopted by the
10 board or with this act.

11 (10) It shall determine whether the patient for whom
12 the claim is made is an indigent patient; and the allowable
13 medical, health care transportation service, or health care
14 services costs; provided that the burden of proof of any claim
15 shall be upon the hospital, health care transportation
16 service, or health care provider.

17 (11) It shall state in writing the reason for
18 rejecting or disapproving any claim and shall notify the
19 submitting hospital, health care transportation service, or
20 health care provider of the decision within 60 days after
21 eligibility for claim payment has been determined.

22 (12) It shall pay all claims that are not matched
23 with federal funds under the state Medicaid program and that
24 have been approved by the board from the fund and shall make
25 payment within 30 days after it approves a claim.

1 (13) It shall determine by county resolution the
2 types of health care providers that will be eligible to submit
3 claims under this act.

4 (14) It shall review, verify, and approve all
5 Medicaid sole community provider hospital payment requests in
6 accordance with rules adopted by the board prior to their
7 submittal by the hospital to the department for payment but no
8 later than January 1 of each year.

9 (15) It shall transfer to the state by the last day
10 of March, June, September, and December of each year an amount
11 equal to one-fourth of the county's payment for support of
12 sole community provider payments as calculated by the
13 department for that county for the current fiscal year. This
14 money shall be deposited in the statewide Working Poor and
15 Indigent Fund.

16 (16) It shall comply with the standards of the
17 federal Health Insurance Portability and Accountability Act of
18 1996.

19 (17) It may contract with health care transportation
20 providers, hospitals, or health care providers for the
21 provision of health care services.

22 Section 7. (a) The statewide Working Poor and
23 Indigent Fund is created in the State Treasury. The fund shall
24 be administered by the department, and it shall consist of
25 funds provided by counties to match federal funds for Medicaid
26 sole community provider hospital payments. Money in the fund
27 shall be invested by the State Treasurer as other state funds

1 are invested. Any unexpended or unencumbered balance remaining
2 in the fund at the end of any fiscal year may not revert to
3 the counties.

4 (b) Money in the statewide Working Poor and Indigent
5 Fund shall be appropriated to the department to make sole
6 community provider hospital payments pursuant to the state
7 Medicaid program. No sole community provider hospital payments
8 or money in the statewide Working Poor and Indigent Fund shall
9 be used to supplant any General Fund support for the state
10 Medicaid program.

11 Section 8. (a) There is created in the county
12 treasury of each county a "County Indigent Hospital Claims
13 Fund."

14 (b) Collections under the levy made pursuant to this
15 act and all payments shall be placed into the fund, and the
16 amount placed in the fund shall be budgeted and expended only
17 for the purposes specified in this act, by warrant upon
18 vouchers approved by a majority of the board and signed by the
19 chair of the board. Payments for indigent hospitalizations may
20 not be made from any other county fund.

21 (c) The fund shall be audited in the same manner
22 that other state and county funds are audited, and all records
23 of payments and verified statements of qualification upon
24 which payments were made from the fund shall be open to the
25 public.

26 (d) Any balance remaining in the fund at the end of
27 the fiscal year shall carry over into the ensuing year, and

1 that balance shall be taken into consideration in the
2 determination of the ensuing year's budget and certification
3 of need for purposes of making a tax levy.

4 (e) Money may be transferred to the fund from other
5 sources, but no transfers may be made from the fund for any
6 purpose other than those specified in this act.

7 Section 9. The fund shall be used as follows:

8 (1) To meet the county's contribution for support of
9 sole community provider payments as calculated by the
10 department for that county.

11 (2) To pay for expenses of burial or cremation of an
12 indigent person.

13 (3) To pay all claims approved by the board and that
14 are not matched with federal funds under the state Medicaid
15 program.

16 Section 10. (a) A hospital or primary health care
17 provider may not be paid from the funds designated solely for
18 the working poor and indigent for services provided to an
19 indigent patient for services that have been determined by the
20 department to be eligible for Medicaid reimbursement. However,
21 this act may not be construed to prevent the board from
22 transferring money from the funds to the statewide Working
23 Poor and Indigent Care Fund or the county-supported Medicaid
24 fund for support of the state Medicaid program.

25 (b) An action for collection of claims under this
26 act may not be allowed against an indigent patient who is
27 Medicaid eligible for Medicaid covered services, nor shall

1 action be allowed against the person who is legally
2 responsible for the care of the indigent patient during the
3 time that person is Medicaid eligible.

4 Section 11. For the purpose of providing funds for
5 the administration of this act, the board shall, each year,
6 certify the amount needed to the county commission. For the
7 first year of operation the county commission shall estimate
8 the amount necessary, and in succeeding years, the county
9 commission may use the previous year's expenditures to
10 determine the amount necessary.

11 Section 12. (a) Subject to the provisions of
12 subsection (b), a county commission, upon the certification of
13 the commission as to the amount needed in the fund, shall levy
14 an additional fee or tax allowed by law sufficient to raise
15 the amount certified by the commission.

16 (b) Notwithstanding the foregoing, the additional
17 fee or a tax authorized under this section may only be imposed
18 by the county commission after a public hearing has been held
19 on the proposed fee or tax by the county commission. The
20 public hearing shall be advertised for four consecutive weeks
21 prior to the hearing by placing a copy of the proposal in a
22 prominent place in the county courthouse and each county
23 building open to the public, and published in a newspaper of
24 general circulation in the county. After the public hearing,
25 the fee or tax may be imposed pursuant to this act at a
26 regular or special called meeting of the county commission

1 upon adoption by the county commission by a two-thirds vote of
2 the members of the commission present at the meeting.

3 Section 13. Payment to a hospital from the fund of
4 any claim shall operate as an assignment to the board of any
5 cause of action to the extent of the payment from the fund to
6 the hospital.

7 Section 14. (a) A health care transportation
8 service, hospital, or health care provider in this state or
9 licensed out-of-state hospital, prior to the filing of a claim
10 with the board, shall have placed on file with the board all
11 of the following:

12 (1) Current data, statistics, schedules, and
13 information deemed necessary by the board to determine the
14 cost for all patients in that hospital or cared for by that
15 health care provider or tariff rates or charges of a health
16 care transportation service.

17 (2) Proof that the hospital, health care
18 transportation service, or health care provider is licensed
19 under the laws of this state or the state in which the
20 hospital operates.

21 (3) Other information or data deemed necessary by
22 the board.

23 (b) A sole community provider hospital requesting or
24 receiving Medicaid sole community provider hospital payments
25 shall do all of the following:

26 (1) Accept indigent patients and request
27 reimbursement for those patients through the appropriate

1 county indigent fund. The responsible county shall approve
2 requests meeting its eligibility standards and notify the
3 hospital of the approval.

4 (2) Confirm the amount of payment authorized by each
5 county for indigent patients to that county for the previous
6 fiscal year by September 30 of each calendar year.

7 (3) Negotiate with each county the amount of
8 indigent hospital payments anticipated for the following
9 fiscal year by December 31 of each year.

10 (4) Provide to the department prior to January 15 of
11 each year the amount of the authorized indigent hospital
12 payments anticipated for the following fiscal year after an
13 agreement has been reached on the amount with each responsible
14 county and such other related information as the department
15 may request.

16 Section 15. (a) Each hospital, health care
17 transportation service, or health care provider filing a claim
18 with the board shall file all of the following:

19 (1) The claim with the board of the county in which
20 the indigent patient is domiciled.

21 (2) A claim for each patient separately, with an
22 itemized detail of the total cost.

23 (3) A verified statement of qualification for health
24 care transportation service, indigent hospital care, or care
25 from a health care provider with each claim signed by the
26 patient or by the parent or person having his or her custody
27 to the effect that he or she qualifies under this act as an

1 indigent patient and is unable to pay the cost for the care
2 administered and listing all assets owned by the patient or
3 any person legally responsible for his or her care. The
4 statement shall constitute an oath of the person signing it,
5 and any false statements in the statement made knowingly shall
6 constitute a Class C felony.

7 (b) Each hospital, health care transportation
8 service, or primary health care provider that has contracted
9 with a board for provision of health care services shall
10 provide evidence of health care services rendered for payment
11 for services in accordance with the procedures specified in
12 the contract.

13 Section 16. A hospital or health care transportation
14 service aggrieved by any decision of the board may appeal
15 within 30 days of the decision of the board to the circuit
16 court of the county where the board is located.

17 Section 17. Each county that authorizes payment for
18 services to a sole community provider hospital shall do all of
19 the following:

20 (1) Determine eligibility for benefits and determine
21 an amount payable on each claim for services to indigent
22 patients from sole community provider hospitals.

23 (2) Notify the sole community provider hospital of
24 its decision on each request for payment while not actually
25 reimbursing the hospital for the services that are reimbursed
26 with federal funds under the state Medicaid program.

1 (3) Confirm the amount of the sole community
2 provider hospital payments authorized for each hospital for
3 the past fiscal year by September 30 of the current fiscal
4 year based on a report prepared by the hospital using a format
5 jointly prescribed by the counties and hospitals that provides
6 aggregate data, including the number of indigent patients
7 served and the total cost of uncompensated care provided by
8 the hospital.

9 (4) Negotiate agreements with each sole community
10 provider hospital providing services for county residents on
11 the anticipated amount of the payments for the following
12 fiscal year; provided that the agreements shall be in
13 compliance with federal regulations regarding
14 intergovernmental transfers and provider contributions and
15 shall not include provisions for reimbursements to counties of
16 matching and statewide indigent care fund allocations.

17 (5) Provide the department by January 15 of each
18 year with the budgeted amount of sole community provider
19 hospital payments, by hospital, for the following fiscal year.

20 Section 18. A claim made to the board for payment
21 for the care of an indigent patient may not expire or become
22 invalid because of the lack of money in the fund during any
23 fiscal year but shall be carried over into the ensuing fiscal
24 year, and notwithstanding the provisions of any other law,
25 shall be paid in the ensuing year. Whenever the balance of the
26 fund is inadequate to pay all qualified claims as they become
27 due, the claims of in-state hospitals providing acute medical

1 care shall have priority for payment over all other claims
2 regardless of the dates the other claims were submitted. The
3 board shall, however, on a regular basis, estimate future
4 demands upon the fund, based on past experience, and set aside
5 sufficient funds to assure payment for in-state hospitals
6 providing acute medical care, and shall then address, on a
7 regular basis, the claims from other hospitals or health care
8 transportation services.

9 Section 19. (a) The payment of any claim to a health
10 care transportation service, a hospital, or health care
11 provider on behalf of an indigent patient creates a preferred
12 claim in favor of the fund against the estate of the indigent
13 patient, and a lien against all real property or interest in
14 real property vested in or later acquired by the indigent
15 patient or any person legally responsible for his or her debts
16 for the amount of the payment made from the fund to the health
17 care transportation service, hospital, or health care
18 provider, without interest. The claims shall be preferred over
19 all claims except charges of the last sickness and funeral of
20 the deceased and allowances made by the court for the
21 maintenance of the spouse and children, taxes, municipal
22 levies, cost of administration, and attorneys' fees.

23 (b) The proceeds recovered from such claims shall be
24 placed into the fund.

25 (c) The board shall file a certificate of payment to
26 the health care transportation service, hospital, or health
27 care provider on behalf of the indigent patient. The

1 certificate shall constitute notice to the public that the
2 lien created by this act has attached. Each judge of probate
3 where applicable shall receive, index, and file certificates
4 and releases of the liens created by the certificate, free of
5 charge.

6 (d) In all cases where a lien has been created under
7 subsection (a) and a period of 14 years has passed from the
8 date the lien was created by the payment of any claim to a
9 health care transportation service, a hospital, or health care
10 provider on behalf of an indigent patient, the payment for
11 which the lien is claimed shall be discharged due to the
12 passage of time, and the board shall file a certificate
13 releasing the lien due to the lapse of time.

14 (e) Subsections (a) through (c) may not apply to any
15 county having adopted a sales tax for the support of indigent
16 hospital patients unless the county elects to come under this
17 act.

18 Section 20. (a) The department may not decrease the
19 amount of any assistance payments made to the hospitals or
20 health care providers of this state pursuant to law because of
21 any financial reimbursement made to health care transportation
22 services, hospitals, or health care providers for indigent or
23 Medicaid eligible patients as provided in this act.

24 (b) The department shall cooperate with each board
25 in furnishing information or assisting in the investigation of
26 any person to determine whether he or she meets the
27 qualifications of an indigent patient as defined in this act.

1 (c) The department shall ensure that the sole
2 community provider's payment and the reimbursement to
3 hospitals made under the state Medicaid program do not exceed
4 what would have been paid for under Medicaid payment
5 principles. If the sole community provider payment and
6 Medicaid reimbursement to hospitals would exceed Medicaid
7 payment principles, the department shall reduce the sole
8 community provider payment prior to making any reduction in
9 reimbursement to hospitals made under the state Medicaid
10 program.

11 Section 21. No money shall be paid from the fund,
12 and no judgment shall be rendered under this act for any
13 services rendered to any indigent patient prior to the
14 effective date of this act.

15 Section 22. This act may not be construed as
16 requiring a county to construct, assume ownership of, or
17 maintain a hospital whose purpose is to provide medical care
18 for its indigent residents.

19 Section 23. Although this bill would have as its
20 purpose or effect the requirement of a new or increased
21 expenditure of local funds, the bill is excluded from further
22 requirements and application under Amendment 621, now
23 appearing as Section 111.05 of the Official Recompilation of
24 the Constitution of Alabama of 1901, as amended, because the
25 bill defines a new crime or amends the definition of an
26 existing crime.

1 Section 24. This act shall become effective on the
2 first day of the third month following its passage and
3 approval by the Governor, or its otherwise becoming law.