

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

BILL NO. Senate Bill 1095

PRINTER'S NO. 1664

AMOUNT

No Fiscal Impact

FUND

General Fund

DATE INTRODUCED

June 3, 2011

PRIME SPONSOR

Senator Scarnati

HISTORY OF BILL

Referred to AGING AND YOUTH, June 3, 2011

Reported as committed, June 8, 2011

First consideration, June 8, 2011

Re-referred to APPROPRIATIONS, June 20, 2011

Re-reported as amended, Oct. 17, 2011

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 1095 establishes the "Long-Term Care Nursing Facility Independent Informal Dispute Resolution Act."

The Act creates an informal review process for long-term care nursing facilities to dispute findings by the Department of Health (DOH) during an inspection through an independent agent. This legislation requires the DOH to do the following:

- Establish an independent informal dispute resolution (IDR) process to determine whether a cited deficiency contained in a statement of deficiencies against a facility should be upheld;
- Designate Pennsylvania's Quality Improvement Organization (QIO) as the independent IDR agent. In the event that Pennsylvania's QIO is unable to serve as the independent IDR agent, the DOH, in consultation with the Health Policy Board, shall designate the QIO of another state that has experience in conducting informal dispute resolutions for a state survey agency as the independent IDR agent;
- Obtain all necessary approvals from the Centers for Medicare and Medicaid Services to contract with the independent IDR agent;

The independent IDR agent shall offer facilities that provide the independent IDR process a choice of the following levels of review:

- Desk review;
- Telephone review;
- In-person review, including the utilization of video conferencing.

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

The independent IDR process may not replace or be a substitute for the existing informal dispute resolution process conducted by the DOH, but shall be an optional process that can be selected by facilities on a fee-for-service basis. The fee for the independent IDR process shall be established by the independent IDR agent, provided that the fees are approved by the DOH and consistent with law.

Independent IDR recommendations made by the independent IDR agent shall be subject to final review and approval by the DOH.

This legislation also requires the DOH to collect and maintain certain data related to the number of independent IDR requests and the results from such reviews.

This act would take effect in 120 days.

FISCAL IMPACT:

Due to the fact that the independent IDR process statutorily created by this legislation does not replace or become a substitute for the existing informal dispute resolution process conducted by the DOH, but merely offers long-term care facilities an optional process on a "fee-for-service" basis, it is determined that there would be no fiscal impact on Commonwealth funds.