

# SENATE NO. 390

## **AN ACT** RELATIVE TO HEALTH INSURANCE PAYMENTS

*Be it enacted by the Senate and House of Representatives in General Court assembled,  
And by the authority of the same, as follows:*

1 SECTION 1. Section 7 of Chapter 118G of the General Laws as appearing in the 2004 Official  
2 Edition is hereby amended by adding the following paragraph:

3       In setting rates of reimbursement for nursing homes effective July 1, 2007 and each rate  
4 year thereafter, the division shall exclude each nursing home's health insurance costs from  
5 calculations of nursing costs, other operating costs or any successor designations applicable to  
6 said cost categories, and shall reimburse each nursing home's health insurance costs through a  
7 facility-specific health insurance cost add-on calculated by dividing the nursing home's certified  
8 projection of actual health insurance costs for the rate year ending June 30 by the nursing  
9 home's actual patient days in the preceding rate year ending June 30. Within thirty days  
10 following the conclusion of a rate year, each nursing home shall certify to the division, its actual  
11 health insurance costs for the preceding rate year and the actual patient days for the preceding  
12 rate year. The division shall utilize the nursing home's certified actual health insurance costs

13 and actual patient days to revise, upward or downward, the health insurance cost rate add-on  
14 provided for in this paragraph.