

State of South Dakota

SEVENTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 1999

400C0240

SENATE HEALTH AND HUMAN SERVICES
COMMITTEE ENGROSSED NO. SB55 -
1/28/99

Introduced by: The Committee on Health and Human Services at the request of the Department
of Human Services

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the costs of care and
2 treatment and calculation thereof for persons receiving treatment from the Human Services
3 Center.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That § 27A-13-2 be amended to read as follows:

6 27A-13-2. Terms used in this chapter mean:

7 (1)(a) "Full time equivalent patient population in the center's psychiatric nursing facility
8 unit," the total daily patient count in that unit at the South Dakota Human Services
9 Center for the immediately preceding fiscal year divided by the number of days in that
10 fiscal year;

11 (b) "Full time equivalent patient population, excluding psychiatric nursing facility
12 unit patients," the total daily patient count, excluding those patients in the
13 center's psychiatric nursing facility unit, at the South Dakota Human Services
14 Center for the immediately preceding fiscal year divided by the number of days
15 in that fiscal year;

(2)(a) "Per diem for the center's psychiatric nursing facility unit," the daily ~~charge~~ amount, set by the secretary of human services, ~~to be charged~~ for the daily care, support, maintenance, and treatment of a patient in the center's psychiatric nursing facility unit during any part of the period of time for which the ~~charge~~ amount is set if it has been determined that the patient or legally responsible person or agency is not able to pay the total service charge;

(b) "Per diem for any of the center's treatment programs, other than the psychiatric nursing facility unit," the daily ~~charge~~ amount, set by the secretary of human services, ~~to be charged~~ for the daily care, support, maintenance, and treatment of a patient in any of the center's acute, adolescent, alcohol, drug, extended (chronic), or other such treatment units, other than the center's psychiatric nursing facility unit, during any part of the period of time for which the ~~charge~~ amount is set if it has been determined that the patient or legally responsible person or agency is not able to pay the total service charge;

(3) "Responsible person," a person legally liable for the support and maintenance of a patient. A parent is not liable for the expenses of ~~his~~ an adult child;

(4) "Total service charge," the actual cost of providing services to an individual patient at the South Dakota Human Services Center.

Section 2. That chapter 27A-13 be amended by adding thereto a NEW SECTION to read as follows:

The secretary of human services shall direct the Human Services Center to calculate and maintain for each patient at the center a billing statement itemizing the individual charges for the care, support, maintenance, and treatment provided to each patient. The center shall determine the patient or legally responsible person or agency's ability to pay such charges considering such factors as the person's financial ability to pay and the availability of commercial insurance or

1 other third-party payors. If the center determines that the patient or legally responsible person
2 or agency is able to pay the total service charge, the charge shall be assessed and collected by
3 the Human Services Center. If the center determines that the patient or legally responsible person
4 lacks the ability to pay the total service charge based upon the before-mentioned considerations,
5 the patient's account shall be assessed to the state.

6 Section 3. That chapter 27A-13 be amended by adding thereto a NEW SECTION to read
7 as follows:

8 The secretary of human services shall promulgate rules, pursuant to chapter 1-26, to establish
9 a method to determine the fee for each service or test based on the actual cost of performing the
10 service or test and the determination of ability to pay and indigence. The secretary of human
11 services shall periodically review and approve the listing of itemized charges.

12 Section 4. That § 27A-13-7 be amended to read as follows:

13 27A-13-7. The secretary of human services shall periodically approve ~~the individual charges~~
14 ~~for the per diem rate for~~ the care, support, maintenance, and treatment provided to each patient
15 by or at the expense of the South Dakota Human Services Center for the fiscal year during which
16 the services are rendered and cause such ~~charges amount~~, or portion thereof as may be
17 appropriate, to be assessed monthly against and collected from the patient or responsible person,
18 agency, or other entity legally liable for paying all or any part of the patient's applicable ~~charges~~
19 amount if it has been determined that the patient or that the legally responsible person or agency
20 is not financially able to pay the total service charge.

21 The secretary shall ~~base the charges~~ set the per diem rate based on the center's actual
22 expenditures during the fiscal year immediately preceding the fiscal year for which the ~~charges~~
23 ~~are amount is~~ being determined and shall compute that determination of the ~~charges amount~~ as
24 follows:

25 (1) The total expenditures of the center for operating the center's psychiatric nursing

1 facility, including an apportionment of all the center's support services to that unit, for
2 the fiscal year immediately preceding the fiscal year for which the ~~charges are~~ amount
3 is being determined shall be computed in accordance with generally accepted
4 accounting procedures. In so doing, the secretary may not include any of the
5 following:

- 6 (a) Capital expenditures for land or building fixed assets;
- 7 (b) Expenditures for special educational programs required by state or federal law
8 to be provided to center patients who are under the age of twenty-one years;
- 9 (c) Expenditures for direct medical care provided to a patient at medical facilities
10 other than the center, the cost of which shall be charged directly against the
11 patient who received that care at the exact cost to the center as a "total service
12 charge" for that care.

13 Those total expenditures shall then be divided by the average daily on roll census of
14 the center's psychiatric nursing facility unit to arrive at the per diem ~~charge~~ amount
15 for that unit for the fiscal year.

- 16 (2) The total expenditures of the center for operating all of its treatment units, excepting
17 its psychiatric nursing facility unit, including an apportionment of all the center's
18 support services to those units, for the fiscal year immediately preceding the fiscal
19 year for which ~~charges are~~ amount is being determined, shall be computed in
20 accordance with generally accepted accounting procedures. In so doing, the secretary
21 may not include the following:

- 22 (a) Capital expenditures for land or building fixed assets;
- 23 (b) Expenditures for special educational programs required by state or federal law
24 to be provided to center patients who are under the age of twenty-one years;
- 25 (c) Expenditures for direct medical care provided to a patient at medical facilities

1 other than the center, the cost of which shall be charged directly against the
2 patient who received that care at the exact cost to the center as a "total service
3 charge" for that care.

4 Those total expenditures shall then be divided by the center's average daily on roll
5 census, excluding psychiatric nursing facility patients, to arrive at the per diem ~~charge~~
6 amount for all the center's treatment units, excepting the psychiatric nursing facility
7 unit, for the fiscal year.

8 Section 5. That § 27A-13-8 be amended to read as follows:

9 27A-13-8. Any patient who is determined by the secretary of human services to be unable
10 to pay the total services charge, but who is determined, as ~~set down~~ provided in §§ 27A-13-9
11 and 27A-13-10, to be financially able to pay the per diem rate shall continue to be charged the
12 per diem cost for each day of continuous patient status.

1 **BILL HISTORY**

2 1/12/99 First read in Senate and referred to Health and Human Services. S.J. 25

3 1/16/99 Scheduled for Committee hearing on this date.

4 1/27/99 Scheduled for Committee hearing on this date.

5 1/27/99 Health and Human Services Do Pass Amended, Passed, AYES 6, NAYS 0. S.J. 204