

House File 149 - Introduced

HOUSE FILE 149

BY FRY

A BILL FOR

1 An Act relating to a dental provider assessment including
2 monetary penalties, contingencies, and effective date
3 provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 249A.22 Dental provider assessment
2 program — imposition — collection — credit and use — monetary
3 penalties — civil actions.

4 1. For the purposes of this section:

5 a. "*Dental provider*" means and includes but is not limited
6 to a dentist, endodontist, oral and maxillofacial surgeon,
7 orthodontist, periodontist, or prosthodontist operating as an
8 individual or as any other legal entity transacting business
9 in the state.

10 b. "*Gross revenue*" means all revenue reported by the dental
11 provider for patient care, but does not include contractual
12 adjustments, bad debt, Medicare revenue, or revenue derived
13 from sources other than dental provider operations including
14 but not limited to nonoperating revenue and other operating
15 revenue.

16 c. "*Nonoperating revenue*" means income from activities not
17 relating directly to the day-to-day operations of a dental
18 provider such as gains from disposal of a dental provider's
19 assets, dividends, and interests from security investments,
20 gifts, grants, and endowments.

21 d. "*Other operating revenue*" means income from nonpatient
22 care services.

23 e. "*Transacting business in the state*" with reference to
24 a dental provider means that the dental provider maintains
25 contacts with or presence in the state of Iowa sufficient to
26 permit taxation of gross revenues received for patient services
27 under the United States Constitution.

28 2. A dental provider assessment is imposed on each dental
29 provider transacting business in the state to be used to
30 promote access to health care services for Iowans, including
31 those served by the Medicaid program.

32 3. The assessment rate shall be calculated as one and
33 one-half percent of the dental provider's gross revenue.

34 4. The assessment shall be paid by each dental provider
35 to the department on a quarterly basis. A dental provider

1 shall submit the assessment amount no later than thirty days
2 following the end of each calendar quarter.

3 5. The department shall collect the assessment imposed
4 and shall credit all revenues collected to the state medical
5 assistance appropriation. This revenue may be used only for
6 services for which federal financial participation under the
7 Medicaid program is available to match state funds.

8 6. If the department determines that a dental provider
9 has underpaid or overpaid the assessment, the department
10 shall notify the dental provider of the amount of the unpaid
11 assessment or refund due. Such payment or refund shall be due
12 or refunded within thirty days of the issuance of the notice.

13 7. A dental provider that fails to pay the assessment
14 within the time frame specified in this section shall pay, in
15 addition to the outstanding assessment, a penalty in the amount
16 of one and five-tenths percent of the assessment amount owed
17 for each month or portion of each month the payment is overdue.
18 However, if the department determines that good cause is shown
19 for failure to comply with payment of the assessment, the
20 department shall waive the penalty or a portion of the penalty.

21 8. If an assessment has not been received by the department
22 by the last day of the third month after the payment is due, the
23 department shall suspend payment due the dental provider under
24 the Medicaid program including payments made on behalf of the
25 Medicaid program by a Medicaid managed care contractor.

26 9. The assessment imposed under this section constitutes
27 a debt due and owing the state and may be collected by civil
28 action, including but not limited to the filing of tax liens,
29 and any other method provided for by law.

30 10. If the federal government fully funds Iowa's Medicaid
31 program, if federal financial participation to match the
32 assessments made under this section becomes unavailable under
33 federal law, if federal law changes to negatively impact the
34 assessment program as determined by the department, or if a
35 federal audit determines the assessment program is invalid, the

1 department shall terminate the imposition of the assessment
2 and the program beginning on the date the federal statutory,
3 regulatory, or interpretive change takes effect.

4 11. The department may adopt rules pursuant to chapter 17A
5 to administer this section.

6 Sec. 2. DIRECTIVES TO DEPARTMENT OF HEALTH AND HUMAN
7 SERVICES. Upon enactment of this Act, the department of
8 health and human services shall request any Medicaid waivers
9 or Medicaid state plan amendments necessary to implement this
10 Act from the centers for Medicare and Medicaid services of the
11 United States department of health and human services.

12 Sec. 3. CONTINGENCY PROVISIONS.

13 1. The dental provider assessment created in this Act shall
14 not be imposed or collected until the department of health and
15 human services has received approval of the assessment from the
16 centers for Medicare and Medicaid services of the United States
17 department of health and human services, and no sooner than
18 July 1, 2024.

19 2. The department of health and human services shall notify
20 the Code editor upon receipt of the approval specified in this
21 section from the centers for Medicare and Medicaid services of
22 the United States department of health and human services.

23 Sec. 4. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
24 immediate importance, takes effect upon enactment.

25 Sec. 5. CONTINGENT IMPLEMENTATION. The department of
26 health and human services shall only implement this Act if
27 the department receives approval of the requests relating to
28 any waivers or Medicaid state plan amendments necessary to
29 implement this Act.

30 EXPLANATION

31 The inclusion of this explanation does not constitute agreement with
32 the explanation's substance by the members of the general assembly.

33 This bill creates a dental provider assessment program and
34 imposes a provider assessment on dental providers transacting
35 business in the state.

1 The bill provides definitions for the purposes of the bill
2 including "dental provider", "gross revenue", "nonoperating
3 revenue", "other operating revenue", and "transacting business
4 in the state".

5 The bill imposes a dental provider assessment on each dental
6 provider transacting business in the state to be used to
7 promote access to health care services for Iowans, including
8 those served by the Medicaid program. The assessment rate
9 shall be calculated as one and one-half percent of the dental
10 provider's gross revenue.

11 The assessment shall be paid by each dental provider to the
12 department of health and human services (HHS or the department)
13 on a quarterly basis, and not later than 30 days following the
14 end of each calendar quarter.

15 The department shall collect the assessment imposed and
16 shall credit all revenues collected to the state Medicaid
17 appropriation. The revenue shall be used only for services
18 for which federal financial participation under the Medicaid
19 program is available to match state funds.

20 The bill includes provisions relating to underpayments and
21 overpayments of the assessment. If a dental provider fails to
22 pay the assessment within the time frame specified in the bill,
23 in addition to the outstanding assessment, a penalty in the
24 amount of one and five-tenths percent of the assessment amount
25 is owed for each month or portion of each month the payment is
26 overdue. The department may waive the penalty or a portion of
27 the penalty for good cause shown. The department shall suspend
28 payment due the dental provider under the Medicaid program if
29 an assessment has not been received by HHS by the last day
30 of the third month after the payment is due. The assessment
31 constitutes a debt due and owing the state and may be collected
32 by civil action, including but not limited to the filing of tax
33 liens, and any other method provided for by law.

34 If certain circumstances occur, including if federal
35 financial participation to match the assessments becomes

1 unavailable under federal law or if the assessment is
2 determined to be invalid, HHS shall terminate the program and
3 the imposition of the assessment beginning on the date the
4 federal statutory, regulatory, or interpretive change takes
5 effect.

6 The department may adopt administrative rules to administer
7 the bill.

8 The bill includes directives to HHS and contingency
9 provisions. The department is directed, upon enactment of
10 the bill, to request any federal waivers or Medicaid state
11 plan amendments necessary to implement the bill. The dental
12 provider assessment shall not be imposed or collected until HHS
13 receives necessary federal approval, and not prior to July 1,
14 2024. The department shall notify the Code editor upon receipt
15 of the federal approval.

16 The bill takes effect upon enactment but shall only be
17 implemented if HHS receives the federal approval specified in
18 the bill.