

APA-6
10/96

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-15-1-.01

Rule Title: Hospital Assessment for Medicaid

 New Amend X Repeal Adopt by Reference

- NO
- YES

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND

BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE
BENEFITS AND BURDEN COMPARISON:

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:
10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:
11. OTHER COMMENTS:

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ALABAMA DEPARTMENT OF REVENUE
Sales & Use Tax Division

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-16-1-.01 State Sales, Use, and Lodgings Tax Exemption for Qualified
Production Companies

INTENDED ACTION: Repeal the above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal Rule 810-16-1-.01 which is currently located in Administrative Rule Chapter 810-16-1. The purpose of this action is to move the above rule from its existing location and place it in Administrative Rule Chapter 810-6-3.

RULE NO. & TITLE

810-6-3-.52 State Sales, Use, and Lodgings Tax Exemption for Qualified
Production Companies

INTENDED ACTION: Adopt a new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule which pertains to sales, use and lodgings tax exemptions for qualified production companies. This rule is currently located in Administrative Rule Chapter 810-16-1 and should be relocated to the sales and use tax chapter of administrative rules.

RULE NO. & TITLE

810-15-1-.01 Hospital Assessment for Medicaid

INTENDED ACTION: Repeal the above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal Rule 810-15-1-.01 which is currently located in Administrative Rule Chapter 810-15-1. The purpose of this action is to move the above rule from its existing location and place it in Administrative Rule Chapter 810-6-5.

RULE NO. & TITLE

810-6-5-.27.02 Hospital Assessment for Medicaid

INTENDED ACTION: Adopt a new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule which pertains to hospital assessments for Medicaid. This rule is currently located in Administrative Rule Chapter 810-15-1 and should be relocated to the sales and use tax chapter of administrative rules.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **2:00 p.m. on Wednesday, December 11, 2013, Room 1203, First Floor**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at ww.revenue.alabama.gov/rulehear.html.

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time during the thirty-five (35) day period following publication of the notice or by appearing at the hearing.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
Wednesday, December 11, 2013

CONTACT PERSON AT AGENCY:

Patricia Toles
Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Michael D. Gamble, Secretary
Alabama Department of Revenue

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810-15-1-01 Hospital Assessment for Medicaid. (REPEALED)

(1) Act 2009-549 provides for an assessment on each privately operated hospital in the state of Alabama as funding for the Alabama Medicaid program. Assessment amounts were to be paid in 8 equal quarterly installments on the first day of each quarter of the State's 2010 and 2011 fiscal years. Accordingly, the first quarterly installment was to be due on October 1, 2009.

(2) The Act provides that the initial installment payment would not be due until the Department of Revenue has notified the affected hospitals that the State's Hospital Funding Program has been approved by the Centers for Medicare and Medicaid Services (CMS), the 30-day verification period allowed to the hospitals had expired, and all the disproportionate share hospital payments for the fiscal year have been made. Because the approval of CMS has not been obtained and the Department has been barred from issuing the required notice, the installment payments that would otherwise have been due from the hospitals have been in suspension status. However, each hospital subject to the assessment will be expected to pay all quarterly installment payments, after the required notice is given. Accordingly, all suspended installment payments will become due on the 31st day after the notice is given. The remaining installment payments will continue to be due as statutorily provided.

(3) As an alternative to the due date for the suspended installment payments on the 31st day after notice is given, a hospital may choose to make the first four installment payments on the following dates: August 4, 2010, August 18, 2010, September 1, 2010 and September 22, 2010. If a hospital elects to make the first four payments on the above dates, all such payments will be considered to be timely made. For each hospital electing to make the first four installment payments on the above dates, the fifth installment payment will be due on October 20, 2010. The remaining three installment payments will be due as statutorily provided, on the first day of each calendar quarter. If a hospital does not elect to make the required payments on the above alternate due dates, all the required suspended payments will be due on the 31st day after the notice is given, and the installment payments which will be due after the notice is given, will be due as statutorily provided.

Author: **Traci Floyd, Charles Hines**
Authority: Sections 40-2A-7(a)(5) and 40-26B-72, Code of Alabama 1975
History: New rule: Filed July 23, 2010, effective August 27, 2010.