

The House Committee on Health and Human Services offers the following substitute to HB 769:

A BILL TO BE ENTITLED
AN ACT

To amend Chapter 4 of Title 26 and Title 31 of the Official Code of Georgia Annotated, relating to pharmacists and pharmacies and health, respectively, so as to implement recommendations from the House Rural Development Council relating to health care issues; to revise provisions relative to pharmacy practices; to provide for and revise definitions; to revise provisions relative to credentialing and billing; to provide for the establishment of the Rural Center for Health Care Innovation and Sustainability; to revise provisions relative to certificate of need; to provide for the establishment of micro-hospitals; to provide for a grant program for insurance premium assistance for physicians practicing in medically underserved rural areas of the state; to amend Code Section 48-7-29.20 of the Official Code of Georgia Annotated, relating to tax credits for contributions to rural hospital organizations, so as to increase the value of the tax credit to 100 percent; to remove limitations on total amounts allowed to individual taxpayers; to provide that credits are allowable to certain pass-through entities; to provide for limits on contributions by individual taxpayers during the first six months of the year; to extend the date for automatic repeal; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 4 of Title 26 of the Official Code of Georgia Annotated, relating to pharmacists and pharmacies, is amended in Code Section 26-4-5, relating to definitions, by revising paragraph (37.2) as follows:

"(37.2) 'Remote order entry' means the entry made by a pharmacist licensed in this state and located within the State of Georgia United States from a remote location indicating that the pharmacist has reviewed the patient specific drug order for a hospital patient, has approved or disapproved the administration of the drug for such patient, and has entered the information in the hospital's patient record system."

H. B. 769 (SUB)

SECTION 2.

Said chapter is further amended in Code Section 26-4-80, relating to license required for practice of pharmacy, dispensing of prescription drugs, prescription drug orders, electronically transmitted drug orders, refills, and Schedule II controlled substance prescriptions, by revising paragraph (7) of subsection (c) as follows:

"(7)(A) The board shall promulgate rules and regulations under this Code section for institutional settings such as hospital pharmacies, nursing home pharmacies, clinic pharmacies, or pharmacies owned or operated directly by health maintenance organizations.

(B) The rules established pursuant to subparagraph (A) of this paragraph shall specifically authorize hospital pharmacies to use remote order entry when:

(i) The licensed pharmacist is not physically present in the hospital, the hospital pharmacy is closed, and a licensed pharmacist will be physically present in the hospital pharmacy within 24 hours or the next business day;

(ii) At least one licensed pharmacist is physically present in the hospital pharmacy ~~and at least one other licensed pharmacist is practicing pharmacy in the hospital but not physically present in the hospital pharmacy~~; or

(iii) At least one licensed pharmacist is physically present in a another hospital within this state which remotely serves only on weekends not more than four other hospitals under the same ownership or management which have an average daily census of less than 12 acute patients.

(C) Before a hospital may engage in remote order entry as provided in this paragraph, the director of pharmacy of the hospital shall submit to the board written policies and procedures for the use of remote order entry. The required policies and procedures to be submitted to the board shall be in accordance with the American Society of Health-System Pharmacists and shall contain provisions addressing quality assurance and safety, mechanisms to clarify medication orders, processes for reporting medication errors, documentation and record keeping, secure electronic access to the hospital pharmacy's patient information system and to other electronic systems that the on-site pharmacist has access to, access to hospital policies and procedures, confidentiality and security, and mechanisms for real-time communication with prescribers, nurses, and other caregivers responsible for the patient's health care.

(D) If the board concludes that the hospital's actual use of remote order entry does not comply with this paragraph or the rules adopted pursuant to this chapter, it may issue a cease and desist order after notice and hearing."

SECTION 3.

Title 31 of the Official Code of Georgia Annotated, relating to health, is amended in Chapter 2, relating to the Department of Community Health, by adding new Code sections to read as follows:

"31-2-15.

(a) As used in this Code section, the term 'state medical plan' means the state health benefit plan under Article 1 of Chapter 18 of Title 45, the medical assistance program under Article 7 of Chapter 4 of Title 49, the PeachCare for Kids Program under Article 13 of Chapter 5 of Title 49, and any other health benefit plan or policy administered by or on behalf of the state.

(b) The department shall take all reasonable steps to streamline and expedite the credentialing and billing processes for state medical plans, including but not limited to examining the potential for a uniform billing platform or portal; examining the potential for the standardization of billing codes among providers; posting billing criteria and codes on the department's website; enabling a dual track process for credentialing and contract negotiation for new providers; allowing billing for telehealth delivered care and allowing payment for both the on-site provider and off-site provider; and maximizing billing for multiple specialists and multiple encounters with one provider at a single visit in safety net settings, critical access settings, federally qualified health centers, and general practitioner settings.

(c) This Code section shall not be construed to require the department to act in violation of any federal law, rule, or regulation.

31-2-16.

(a) There is created and established the Rural Center for Health Care Innovation and Sustainability within the department's State Office of Rural Health. The department shall conduct a request for proposal process to identify a postsecondary institution within the state in which the center shall be located. Such postsecondary institution shall have a health program or college that focuses on rural and underserved areas of the state. The department shall reissue a request for proposal after seven years and every five years thereafter.

(b) The purposes of the center shall be to:

(1) No later than January 1, 2019, develop standards for education curriculum provided to leadership of rural hospital organizations, as defined in Code Section 31-8-9.1, and to other rural health care facilities upon request, including, but not limited to, hospital executive leadership, hospital board members, and hospital authority members. The curriculum shall include, at a minimum, legal, fiduciary, grant management, planning,

97 and compliance training. The center shall approve education programs by any entity that
98 the center determines to meet such standards. No rural hospital organization, as defined
99 in Code Section 31-8-9.1, shall be eligible to:

100 (A) Receive contributions from the tax credit provided pursuant to Code Section
101 48-7-29.20; or

102 (B) Qualify or receive any state funds,

103 unless the chief executive officer, the chief financial officer, every board member, and
104 every hospital authority member, if operated by a hospital authority pursuant to Article 4
105 of Chapter 7 of this title, have completed an education program approved by the center
106 pursuant to this paragraph no later than December 31, 2020, or within 12 months of initial
107 hiring or appointment and every two years thereafter; and

108 (2) Serve as a central health data repository for collection and dissemination of health
109 data from state health agencies, including but not limited to the department, the
110 Department of Public Health, and the Department of Behavioral Health and
111 Developmental Disabilities, to conduct health data analytics to determine rural health care
112 needs for planning purposes, including determining current and future health care work
113 force needs.

114 (c) The center is authorized to make application for and receive funds and grants as may
115 be necessary to, and utilize and disburse such funds for such purposes and projects as will,
116 carry out the purposes of the center.

117 (d) The center is authorized to enter into contracts, agreements, and arrangements with
118 colleges and universities for participation in the work of the center. The center shall also
119 be authorized to enter into contracts and agreements with the federal government; political
120 subdivisions of this state; private firms, foundations, or institutions; or individuals for
121 specific research on any aspects of rural health care as may be related to the purposes of
122 this Code section.

123 (e) On or before December 31 of each year, the center shall file a report to the Governor,
124 the President of the Senate, the Speaker of the House of Representatives, and the
125 chairpersons of the House Committee on Health and Human Services, the Senate Health
126 and Human Services Committee, the House Committee on Appropriations, and the Senate
127 Appropriations Committee. The report shall include a summary of the activities of the
128 center during the calendar year, including, but not limited to, the total number of hospital
129 executives, hospital board members, and hospital authority members who received training
130 from the center; the status of rural health care in the state; and recommendations, if any,
131 for legislation as may be necessary to improve the programs and services offered by the
132 center."

SECTION 4.

Said title is further amended by revising paragraphs (21), (32), and (38) of and by adding a new paragraph to Code Section 31-6-2, relating to definitions, to read as follows:

"(21) 'Hospital' means an institution which is primarily engaged in providing to inpatients, by or under the supervision of physicians, diagnostic services and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, or sick persons or rehabilitation services for the rehabilitation of injured, disabled, or sick persons. Such term includes public, private, psychiatric, rehabilitative, geriatric, osteopathic, micro-hospitals, and other specialty hospitals."

"(23.1) 'Micro-hospital' means a hospital in a rural county which has at least two and not more than seven inpatient beds and which provides emergency services seven days per week and 24 hours per day."

"(32) 'Rural county' means a county having a population of less than ~~35,000~~ 50,000 according to the United States decennial census of ~~2000~~ 2010 or any future such census."

"(38) 'Urban county' means a county having a population equal to or greater than ~~35,000~~ 50,000 according to the United States decennial census of ~~2000~~ 2010 or any future such census."

SECTION 5.

Said title is further amended by adding a new paragraph to and by revising paragraph (24) of subsection (a) of Code Section 31-6-47, relating to exemptions from chapter, as follows:

"(9.2) The purchase of a closing hospital or of a hospital that has been closed for no more than 12 months by a hospital in a contiguous county to repurpose the facility as a micro-hospital;"

"(24) The relocation of any skilled nursing facility, ~~or~~ intermediate care facility, or micro-hospital within the same county, any other health care facility in a rural county within the same county, and any other health care facility in an urban county within a three-mile radius of the existing facility so long as the facility does not propose to offer any new or expanded clinical health services at the new location;"

SECTION 6.

Said title is further amended by redesignating the existing provisions of Chapter 34, relating to medical professionals for rural assistance, as Article 1 of such chapter, by replacing "This chapter" and "this chapter" with "This article" and "this article", respectively, everywhere each such term occurs in the new Article 1, and by adding a new article to read as follows:

"ARTICLE 2

31-34-20.

(a) Subject to appropriations, the Georgia Board for Physician Workforce shall establish a grant program for the purpose of increasing the number of physicians who remain in Georgia to practice in medically underserved rural areas of the state. The grant program shall provide insurance premium assistance for physicians practicing in such medically underserved rural areas of the state, as identified by the Georgia Board for Physician Workforce pursuant to Code Section 49-10-3.

(b) To be eligible to receive a grant under the grant program, a physician shall meet the following qualifications:

(1) Maintain a practice in a medically underserved rural area of the state;

(2) Be licensed to practice in this state and board certified;

(3) Complete a minimum of 100 hours of continuing medical education as approved by the Georgia Composite Medical Board;

(4) Provide weekend or extended hours; and

(5) Accept Medicaid and medicare patients.

(c) A physician receiving a grant pursuant to the grant program shall agree to practice medicine in such medically underserved rural areas of the state for a period of time determined by the Georgia Board for Physician Workforce.

(d) The Georgia Board for Physician Workforce may adopt and prescribe such rules and regulations as it deems necessary or appropriate to administer and carry out the grant program provided for in this chapter. In establishing the amount of grants, the Georgia Board for Physician Workforce shall determine the average insurance premium rates for physicians in rural areas of this state."

SECTION 7.

Code Section 48-7-29.20 of the Official Code of Georgia Annotated, relating to tax credits for contributions to rural hospital organizations, is amended by revising subsections (b) and (c), paragraph (1) of subsection (e), and subsection (i) and by adding a new subsection to read as follows:

"(b) An individual taxpayer shall be allowed a credit against the tax imposed by this chapter for qualified rural hospital organization expenses as follows:

(1) In the case of a single individual or a head of household, ~~90 percent of the actual amount expended; or \$5,000.00 per tax year, whichever is less; or~~

(2) In the case of a married couple filing a joint return, ~~90 percent of the actual amount expended or \$10,000.00 per tax year, whichever is less; or~~

(3) In the case of an individual who is a member of a limited liability company duly formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a partnership, the amount expended; provided, however, that tax credits pursuant to this paragraph shall be allowed only for the portion of the income on which such tax was actually paid by such individual.

(b.1) From January 1 to June 30 each taxable year, an individual taxpayer shall be limited in its qualified rural hospital organization expenses allowable for credit under this Code section, and the commissioner shall not approve qualified rural hospital organization expenses incurred from January 1 to June 30 each taxable year, which exceed the following limits:

(1) In the case of a single individual or a head of household, \$5,000.00;

(2) In the case of a married couple filing a joint return, \$10,000.00; or

(3) In the case of an individual who is a member of a limited liability company duly formed under state law, a shareholder of a Subchapter 'S' corporation, or a partner in a partnership, \$10,000.00.

(c) A corporation or other entity shall be allowed a credit against the tax imposed by this chapter for qualified rural hospital organization expenses in an amount not to exceed ~~90 percent~~ of the actual amount expended or 75 percent of the corporation's income tax liability, whichever is less."

"(e)(1) In no event shall the aggregate amount of tax credits allowed under this Code section exceed \$60 million in 2017, ~~\$60 million in 2018, and \$60 million in 2019~~ per taxable year."

"(i) This Code section shall stand automatically repealed on December 31, ~~2019~~ 2021."

SECTION 8.

All laws and parts of laws in conflict with this Act are repealed.