SB 137-FN - AS AMENDED BY THE SENATE

03/06/2025 0305s

2025 SESSION

25-1151
05/09

SENATE BILL ***137-FN***

AN ACT relative to hospital stays covered under the state Medicaid plan.

SPONSORS: Sen. Prentiss, Dist 5

COMMITTEE: Health and Human Services

AMENDED ANALYSIS

This bill directs the department of health and human services to establish an administrative day rate and swing bed rate under the state Medicaid plan for certain hospital stays for parents of newborns.

- -

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to hospital stays covered under the state Medicaid plan.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 New Section; Coverage for Hospital Stays under the State Medicaid Plan. Amend RSA 126-A by inserting after section 18-b the following new section:

126-A:18-c Coverage for Hospital Stays under the State Medicaid Plan.

Hospital stays shall be covered under the state Medicaid plan as follows:

I.(a) The department shall establish an administrative day rate for those days of hospital stay in which a client does not meet criteria for acute inpatient level of care, but is not discharged because:

(1) An appropriate placement outside the hospital is not available; and

(2) The postpartum parent's newborn remains on an inpatient claim for monitoring post-in utero exposure to substances that may lead to physiologic dependence and continuous care by the postpartum parent is the appropriate first-line treatment. "Postpartum parent" means the client who delivered the baby or babies.

(b) The department shall use the annual statewide weighted average nursing facility Medicaid payment rate to update the all-inclusive administrative day rate on November 1st of each year.

(c) The administrative day rate shall include pharmacy services, pharmaceuticals, and medically necessary ancillary services, as determined by the department, when these services are provided during administrative days.

(d) The department shall identify administrative days during the length of stay review process after the client's discharge from the hospital.

(e) The state Medicaid plan shall cover up to 5 newborn administrative days and may include additional days with expedited prior authorization (EPA). For EPA, the hospital shall establish that the clinically appropriate EPA criteria outlined in the department's published billing guides have been met, and the hospital shall use the appropriate EPA number for billing purposes.

(f) The department shall pay the administrative day rate starting with the date of hospital admission if the admission is solely for a no placement administrative day stay.

(g) The department shall pay the hospital the newborn administrative day rate only if:

(1) The postpartum parent rooms with their newborn and provides parental support/care; and

(2) The hospital provides all prescribed medications to the postpartum parent for the duration of the stay, including medications prescribed to treat substance use disorder.

II. The department shall establish a swing bed day rate for those days when a client is receiving department-approved nursing service level of care in a swing bed.

(a) The department shall not pay a hospital the rate applicable to the acute inpatient level of care for those days of a hospital stay when a client is receiving department-approved nursing service level of care in a swing bed.

(b) The department's allowed amount for those ancillary services not covered under the swing bed day rate shall be based on the payment methods provided in rules adopted under RSA 541-A. These ancillary services may be billed by the hospital on an outpatient hospital claim, except for pharmacy services and pharmaceuticals.

(c) The department shall allow pharmacy services and pharmaceuticals not covered under the swing bed day rate, that are provided to a client receiving department-approved nursing service level of care, to be billed directly by a pharmacy through the point of sale system. The department shall not allow those pharmacy services and pharmaceuticals to be paid to the hospital through submission of a hospital outpatient claim.

III. The department shall adopt rules under RSA 541-A to establish the rate setting methodology and criteria required under this section.

2 Effective Date. This act shall take effect July 1, 2025.

LBA
25-1151
3/17/25

SB 137-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2025-0305s)

AN ACT relative to hospital stays covered under the state Medicaid plan.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2025	**FY 2026**	**FY 2027**	**FY 2028**
Revenue	$0	$0	$0	$0
Revenue Fund(s)	None			
Expenditures*	$0	$57,330	$57,330	$57,330
Funding Source(s)	General Fund			
Appropriations*	$0	$0	$0	$0
Funding Source(s)	None			

***Expenditure = Cost of bill** ***Appropriation = Authorized funding to cover cost of bill**

METHODOLOGY:

This bill directs the Department of Health and Human Services to establish an administrative day rate and swing bed rate under the state Medicaid plan for certain hospital stays for parents of newborns.

The Department of Health and Human Services indicates expenditures of this type are not eligible for federal match and would be a general fund cost. The Department does not anticipate a high level of utilization for the service. Based on FY 2024 data, and assuming a rate of $189 per day, the Department estimated an annual utilization cost of $57,330. This daily rate is comparable to the Department's payment rate for swing beds.

The Department notes there are peer reviewed studies that demonstrate a secondary benefit of this treatment model is a decrease in Neonatal Intensive Care Unit (NICU) admissions for Neonatal Abstinence Syndrome (NAS). To the extent this change results in fewer NICU admissions the savings could potentially make this bill cost neutral.

AGENCIES CONTACTED:

Department of Health and Human Services