

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

March 11, 2026
Date

Committee on Health & Human Services.

After consideration on the merits, the Committee recommends the following:

HB26-1235 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend printed bill, page 3, strike lines 23 through 27.
- 2 Page 4, strike line 1.
- 3 Page 4, line 2, strike "(b)" and substitute "(a)".
- 4 Page 4, line 4, strike "PROCEDURES" and substitute "DIFFERENT
- 5 SERVICES".
- 6 Page 4, line 6, strike "PROCEDURES" and substitute "DIFFERENT
- 7 SERVICES".
- 8 Page 4, after line 6 insert:
 - 9 "(b) "OUTPATIENT THERAPY SERVICES" MEANS PROFESSIONAL
 - 10 SERVICES PROVIDED BY AN OCCUPATIONAL THERAPIST, PHYSICAL
 - 11 THERAPIST, OR SPEECH LANGUAGE PATHOLOGIST IN A SETTING OTHER
 - 12 THAN A HOSPITAL."
- 13 Page 4, strike lines 7 through 11 and substitute:
 - 14 "(2) IF THE STATE DEPARTMENT PLANS TO IMPLEMENT, APPLY, OR
 - 15 ENFORCE A NEW MULTIPLE PROCEDURE PAYMENT REDUCTION FOR
 - 16 OUTPATIENT THERAPY SERVICES PROVIDED UNDER THE MEDICAL
 - 17 ASSISTANCE PROGRAM, THE STATE DEPARTMENT MUST PROVIDE NOTICE TO
 - 18 THE IMPACTED PROVIDERS OF THE FORTHCOMING CHANGE AT LEAST SIX
 - 19 MONTHS PRIOR TO IMPLEMENTING THE CHANGE TO ENSURE ADEQUATE
 - 20 TIME FOR PROVIDERS TO PREPARE."

1 Page 4, line 15, strike "rules." and substitute "rules - repeal."

2 Page 4, line 16, strike "ON" and substitute "(1) ON".

3 Page 4, line 19, strike "42 U.S.C. SEC. 1396a(xx)." and substitute "42
4 U.S.C. SEC. 1396a(xx), AS AMENDED OR RELOCATED, IN A MANNER THAT
5 ENSURES ALL APPLICANTS AND MEMBERS CAN OBTAIN OR MAINTAIN
6 COVERAGE WITH THE LEAST AMOUNT OF ADMINISTRATIVE BURDENS."

7 Page 4, after line 19 insert:

8 "(2) THE STATE BOARD'S AUTHORITY TO ADOPT RULES PURSUANT
9 TO SUBSECTION (1) OF THIS SECTION IS REPEALED IF THE COMMUNITY
10 ENGAGEMENT REQUIREMENTS OF TITLE XIX OF THE FEDERAL "SOCIAL
11 SECURITY ACT OF 1965", 42 U.S.C. SEC. 1396a(xx), AS AMENDED OR
12 RELOCATED, ARE REPEALED.

13 (3) THE STATE BOARD SHALL NOTIFY THE REVISOR OF STATUTES
14 IN WRITING OF THE DATE WHEN THE CONDITION SPECIFIED IN SUBSECTION
15 (2) OF THIS SECTION HAS OCCURRED BY EMAILING THE NOTICE TO
16 REVISOROFSTATUTES.GA@COLEG.GOV. THIS SECTION IS REPEALED,
17 EFFECTIVE UPON THE DATE IDENTIFIED IN THE NOTICE, OR IF THE NOTICE
18 DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE TO THE
19 REVISOR OF STATUTES."

20 Page 6, strike lines 2 through 15 and substitute:

21 "25.5-5-428. Home- and community-based service provider
22 agencies - disclosure of direct care service cost ratio to administrative
23 cost ratio - definition.

24 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
25 REQUIRES, "DIRECT CARE SERVICE COST TO ADMINISTRATIVE COST RATIO"
26 MEANS THE PERCENTAGE OF MEDICAID SERVICES REVENUE THAT A HOME-
27 AND COMMUNITY-BASED SERVICE PROVIDER AGENCY THAT RENDERS BASE
28 WAGE QUALIFYING SERVICES SPENDS ON DIRECT CARE WORKFORCE
29 COMPENSATION AND DIRECT CARE SERVICE RELATED TRAINING AND
30 SUPPORTS AS COMPARED TO ADMINISTRATIVE AND GENERAL EXPENSES.

31 (2) (a) THE STATE DEPARTMENT SHALL COLLECT THE FOLLOWING
32 INFORMATION FROM EACH HOME- AND COMMUNITY-BASED SERVICE
33 PROVIDER AGENCY THAT SERVES MORE THAN ONE HUNDRED MEMBERS:

34 (I) THE TOTAL MEDICAL ASSISTANCE PROGRAM REVENUE FOR THE
35 REPORTING PERIOD AND DATA REGARDING WORKFORCE CLASSIFICATION
36 AND SERVICE VOLUME;

37 (II) DIRECT CARE WORKER AND WORKFORCE COMPENSATION;

38 (III) TOTAL COMPENSATION PAID TO INDIVIDUALS PERFORMING
39 DIRECT CARE SERVICES, REPORTED SEPARATELY FOR EMPLOYEES AND

1 INDEPENDENT CONTRACTORS, INCLUDING:
2 (A) BASE WAGES OR SERVICE PAYMENTS;
3 (B) OVERTIME OR PREMIUM PAYMENTS;
4 (C) EMPLOYER-PAID PAYROLL TAXES AND LEGALLY REQUIRED
5 CONTRIBUTIONS; AND
6 (D) HEALTH, RETIREMENT, LEAVE, AND OTHER BENEFITS; BONUSES;
7 INCENTIVE PAYMENTS; AND DIFFERENTIAL PAY; AND
8 (IV) ALL COMPENSATION PAID DIRECTLY OR INDIRECTLY,
9 INCLUDING THROUGH AFFILIATED OR RELATED ENTITIES.
10 (b) A HOME- AND COMMUNITY-BASED SERVICE PROVIDER AGENCY
11 SHALL SUBMIT TO THE STATE DEPARTMENT ITS DIRECT CARE SERVICE COST
12 TO ADMINISTRATIVE COST RATIO AND THE INFORMATION REQUIRED
13 PURSUANT TO THIS SUBSECTION (2) NO LATER THAN SEPTEMBER 30, 2027.
14 (3) THE STATE DEPARTMENT SHALL SUBMIT A REPORT DETAILING
15 THE INFORMATION COLLECTED PURSUANT TO SUBSECTION (2) OF THIS
16 SECTION TO THE HOUSE OF REPRESENTATIVES AND SENATE HEALTH AND
17 HUMAN SERVICES COMMITTEES AND THE JOINT BUDGET COMMITTEE, OR ANY
18 SUCCESSOR COMMITTEES, NO LATER THAN DECEMBER 31, 2027.
19 (4) THE DATA COLLECTED AND PUBLISHED PURSUANT TO THIS
20 SECTION MUST BE USED SOLELY FOR LEGISLATIVE INFORMATIONAL
21 PURPOSES."

** ** ** ** **