

HOUSE BILL NO. 381

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

Introduced: 2/20/24

Referred: House Special Committee on Ways and Means, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing a health care provider tax."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** AS 43 is amended by adding a new chapter to read:

4 **Chapter 73. Health Care Provider Tax.**

5 **Sec. 43.73.010. Tax levied.** A tax is levied on a health care provider operating
6 in the state. The tax is 5.5 percent of net patient revenue.

7 **Sec. 43.73.020. Returns.** (a) A health care provider shall file a return with the
8 department as prescribed by the department in regulation. The return must state gross
9 inpatient care revenue, reductions from gross inpatient care revenue, and net patient
10 revenue for each location operated by the health care provider.

11 (b) The health care provider shall submit the tax due under AS 43.73.010 with
12 the return required under this section.

13 **Sec. 43.73.030. Records.** A health care provider shall keep a complete and
14 accurate record of gross inpatient care revenue, reductions from gross inpatient care
15 revenue, and net patient revenue. A health care provider shall ensure that a statement

1 or record required under this chapter is in the form prescribed by the department and
2 available for inspection upon request of the department.

3 **Sec. 43.73.040. Health care provider fund.** (a) The health care provider fund
4 is established in the general fund. The department shall separately account for tax
5 collected under AS 43.73.010 and deposit it into the health care provider fund.

6 (b) The legislature may use the annual estimated balance in the health care
7 provider fund to make appropriations for the state's medical assistance program under
8 AS 47.07.

9 (c) Nothing in this section creates a dedicated fund.

10 **Sec. 43.73.100. Definitions.** In this chapter,

11 (1) "gross inpatient care revenue" does not include nonpatient care
12 revenue, beauty and barber revenue, vending income revenue, interest and
13 contribution revenue, revenue from the sale of meals, and outpatient revenue;

14 (2) "health care provider" includes a hospital, medical clinic or office,
15 special care facility, nursing care facility, or medical laboratory that is not operated by
16 the state;

17 (3) "net patient revenue" means gross inpatient care revenue from
18 services provided to patients less reductions from gross inpatient care revenue
19 resulting from an inability to collect payment of charges;

20 (4) "reductions from gross inpatient care revenue" includes bad debts,
21 contractual adjustments, uncompensated care, discounts and adjustments, and other
22 revenue deductions.