

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Department of Health Care Finance**



Office of the Director

**DHCF Transmittal No. 09-11**

**TO: All District of Columbia Nursing Facilities**

**FROM: Julie Hudman, Ph.D.**  
**Director**  
**Department of Health Care Finance**

**DATE: May 1, 2009**

**SUBJECT: FY 2009 Provider Bed Tax Rate Change**

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The purpose of this transmittal is to provide nursing facilities with updated information about the provider bed tax. Initially authorized in the Fiscal Year 2005 Budget Support Act of 2004, the money collected from this tax is held in the Nursing Home Quality of Care Fund. This money, along with federal matching funds, in turn provides funding for programs to improve the quality of care provided to all nursing facility residents.

The Fiscal Year 2009 Budget Support Act of 2008 amended the language of the Act from a flat tax of 6.0% of net resident revenue for nursing facility beds to a tax of "up to 6.0% per annum," with the uniform amount per licensed bed to be determined by the Mayor. Office of Tax and Revenue continues to collect the tax.

Effective October 1, 2008, the provider bed tax is reduced to 5.5% of net resident revenue.

Should you have any questions, please contact Michelle Strollo, Associate Director, Office of Chronic & Long-Term Care, DHCF, at (202) 478-9175.