

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
129TH LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to S.P. 588, L.D. 1758, Bill, "An Act To Clarify and Amend MaineCare Reimbursement Provisions for Nursing and Residential Care Facilities"

Amend the amendment by striking out all of section 5 and inserting the following:

Sec. 5. Rulemaking. The Department of Health and Human Services shall amend its rule in 10-144 C.M.R. Chapter 101: MaineCare Benefits Manual, Chapter III, Section 67, Principles of Reimbursement for Nursing Facilities to determine, of the funds provided in section 6, the proportional amount to be distributed to each provider based on sections 1 to 4 of this Act.

Sec. 6. Appropriations and allocations. The following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF
Medical Care - Payments to Providers 0147

Initiative: Provides one-time appropriations and allocations for residential care facility wage allowances.

Table with 4 columns: Fund Name, 2019-20, 2020-21, and Total. Rows include GENERAL FUND, All Other, and GENERAL FUND TOTAL.

Table with 4 columns: Fund Name, 2019-20, 2020-21, and Total. Rows include FEDERAL EXPENDITURES FUND, All Other, and FEDERAL EXPENDITURES FUND TOTAL.

Nursing Facilities 0148

SENATE AMENDMENT

1 Initiative: Provides one-time appropriations and allocations for nursing facility wage
2 allowances.

3	GENERAL FUND	2019-20	2020-21
4	All Other	\$377,104	\$332,280
5			
6	GENERAL FUND TOTAL	<u>\$377,104</u>	<u>\$332,280</u>

7	FEDERAL EXPENDITURES FUND	2019-20	2020-21
8	All Other	\$664,620	\$585,621
9			
10	FEDERAL EXPENDITURES FUND TOTAL	<u>\$664,620</u>	<u>\$585,621</u>

11 **Nursing Facilities 0148**

12 Initiative: Provides one-time appropriations and allocations for nursing facility
13 supplemental wage allowance.

14	GENERAL FUND	2019-20	2020-21
15	All Other	\$5,400,000	\$5,400,000
16			
17	GENERAL FUND TOTAL	<u>\$5,400,000</u>	<u>\$5,400,000</u>

18	FEDERAL EXPENDITURES FUND	2019-20	2020-21
19	All Other	\$9,517,127	\$9,517,127
20			
21	FEDERAL EXPENDITURES FUND TOTAL	<u>\$9,517,127</u>	<u>\$9,517,127</u>

22 **Nursing Facilities 0148**

23 Initiative: Provides one-time deappropriations and deallocations for funding carried
24 forward in the baseline for the nursing facility supplemental wage allowance.

25	GENERAL FUND	2019-20	2020-21
26	All Other	(\$5,400,000)	(\$5,400,000)
27			
28	GENERAL FUND TOTAL	<u>(\$5,400,000)</u>	<u>(\$5,400,000)</u>

1	FEDERAL EXPENDITURES FUND	2019-20	2020-21
2	All Other	(\$9,517,127)	(\$9,517,127)
3			
4	FEDERAL EXPENDITURES FUND TOTAL	<u>(\$9,517,127)</u>	<u>(\$9,517,127)</u>


5	HEALTH AND HUMAN SERVICES,		
6	DEPARTMENT OF		
7	DEPARTMENT TOTALS	2019-20	2020-21
8			
9	GENERAL FUND	\$520,000	\$520,000
10	FEDERAL EXPENDITURES FUND	\$916,464	\$916,465
11			
12	DEPARTMENT TOTAL - ALL FUNDS	<u>\$1,436,464</u>	<u>\$1,436,465</u>
13			

SUMMARY

This amendment directs the Department of Health and Human Services to amend its rules to determine, of the funds provided in section 6, the proportional amount to be distributed to each provider based on the supplemental allowances and additional special wage allowances established in the bill as amended by Committee Amendment "A". This amendment also replaces the appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)

SPONSORED BY: 
 (Senator BREEN)
 COUNTY: Cumberland



129th MAINE LEGISLATURE

LD 1758

LR 1523(04)

An Act To Clarify and Amend MaineCare Reimbursement Provisions for Nursing and Residential Care Facilities

Fiscal Note for Senate Amendment "A" to Committee Amendment "A" (S-348)

Sponsor: Sen. Breen of Cumberland

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	(\$15,763,173)	(\$12,220,825)	(\$12,740,825)	(\$5,340,901)
Appropriations/Allocations				
General Fund	(\$15,763,173)	(\$12,220,825)	(\$12,740,825)	(\$5,340,901)
Federal Expenditures Fund	(\$31,362,370)	(\$23,596,203)	(\$24,512,668)	(\$8,879,717)
Other Special Revenue Funds	(\$3,099,703)	(\$2,377,882)	(\$2,377,882)	(\$907,699)
Revenue				
Federal Expenditures Fund	(\$31,362,370)	(\$23,596,203)	(\$24,512,668)	(\$8,879,717)
Other Special Revenue Funds	(\$3,099,703)	(\$2,377,882)	(\$2,377,882)	(\$907,699)

Fiscal Detail and Notes

The bill includes General Fund appropriations to the Department of Health and Human Services of \$16,283,173 in fiscal year 2019-20 and \$12,740,825 in fiscal year 2020-21 for residential care facility and nursing facility wage allowances. Federal Expenditures Fund allocations are also included for the FMAP match.

The Upper Payment Limit (UPL) analysis for Nursing Facilities (NF) indicates that currently the NF payments in MaineCare are lower than Medicare by \$12.5 million. The annual cost of living adjustments (COLA) for the NF's will go into effect on July 1, 2019 and are estimated to increase the payments by \$10.6 million. The impact of this change on the UPL will be limited by an increase to the Medicare rates to which the MaineCare rates are compared, but between the COLA and the cost from this bill, the NF costs will likely go over the UPL threshold. However, based on the language in statute (Title 22 §1708 sub-§3, ¶C), the DHHS must establish reimbursement rates that "are consistent with federal requirements relative to limits on reimbursement under the federal Social Security Act, Title XIX." Thus, the estimate of costs above includes all increases associated with the bill, with a federal match. If this does create a UPL issue, the DHHS will limit the payments to NF's to remain below the federally required limits.