

MAINE STATE LEGISLATURE

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DW
ROFS

L.D. 1577

Date: 5/23/19

(Filing No. H-350)

HEALTH AND HUMAN SERVICES

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STATE OF MAINE

HOUSE OF REPRESENTATIVES

129TH LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1139, L.D. 1577, Bill, "An Act To Assist Nursing Homes in the Management of Facility Beds"

Amend the bill by striking out all of sections 5 to 7 and inserting the following:

Sec. 5. Appropriations and allocations. The following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF

Nursing Facilities 0148

Initiative: Provides appropriations and allocations for the Department of Health and Human Services to include in its calculation of reimbursement for services provided by a nursing facility the cost incurred by the facility for a medical director.

19	GENERAL FUND	2019-20	2020-21
20	All Other	\$181,495	\$244,008
21			
22	GENERAL FUND TOTAL	<u>\$181,495</u>	<u>\$244,008</u>
23	FEDERAL EXPENDITURES FUND	2019-20	2020-21
24	All Other	\$386,809	\$513,731
25			
26	FEDERAL EXPENDITURES FUND TOTAL	<u>\$386,809</u>	<u>\$513,731</u>
27	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
28	All Other	\$36,275	\$48,366
29			

COMMITTEE AMENDMENT

ROFS

COMMITTEE AMENDMENT "A" to H.P. 1139, L.D. 1577

1 OTHER SPECIAL REVENUE FUNDS TOTAL \$36,275 \$48,366

2 Nursing Facilities 0148

3 Initiative: Provides appropriations and allocations for the Department of Health and
4 Human Services to include the cost incurred by a nursing facility for the acquisition, use
5 and maintenance of computer or cloud-based software systems as a fixed cost.

6	GENERAL FUND	2019-20	2020-21
7	All Other	\$399,757	\$537,448
8			
9	GENERAL FUND TOTAL	<u>\$399,757</u>	<u>\$537,448</u>

10	FEDERAL EXPENDITURES FUND	2019-20	2020-21
11	All Other	\$851,980	\$1,131,534
12			
13	FEDERAL EXPENDITURES FUND TOTAL	<u>\$851,980</u>	<u>\$1,131,534</u>

14	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
15	All Other	\$79,898	\$106,531
16			
17	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$79,898</u>	<u>\$106,531</u>

18	HEALTH AND HUMAN SERVICES,		
19	DEPARTMENT OF		
20	DEPARTMENT TOTALS	2019-20	2020-21
21			
22	GENERAL FUND	\$581,252	\$781,456
23	FEDERAL EXPENDITURES FUND	\$1,238,789	\$1,645,265
24	OTHER SPECIAL REVENUE FUNDS	\$116,173	\$154,897
25			
26	DEPARTMENT TOTAL - ALL FUNDS	<u>\$1,936,214</u>	<u>\$2,581,618</u>
27			

28 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
29 section number to read consecutively.

30 SUMMARY

31 This amendment removes from the bill the sections related to bed hold days, health
32 insurance and bad debt and adds an appropriations and allocations section.

FISCAL NOTE REQUIRED
(See Attached)

COMMITTEE AMENDMENT



129th MAINE LEGISLATURE

LD 1577

LR 1116(02)

An Act To Assist Nursing Homes in the Management of Facility Beds

Fiscal Note for Bill as Amended by Committee Amendment *A(H-350)*

Committee: Health and Human Services

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	\$581,252	\$781,456	\$781,972	\$781,972
Appropriations/Allocations				
General Fund	\$581,252	\$781,456	\$781,972	\$781,972
Federal Expenditures Fund	\$1,238,789	\$1,645,265	\$1,644,748	\$1,644,748
Other Special Revenue Funds	\$116,173	\$154,897	\$154,897	\$154,897
Revenue				
Federal Expenditures Fund	\$1,238,789	\$1,645,265	\$1,644,748	\$1,644,748
Other Special Revenue Funds	\$115,173	\$154,897	\$154,897	\$154,897

Fiscal Detail and Notes

The bill includes General Fund appropriations to the Department of Health and Human Services of \$581,252 in fiscal year 2019-20 and \$781,456 in fiscal year 2020-21 for the Department of Health and Human Services to include in its calculation of reimbursement for services provided by a nursing facility the cost incurred by the facility for a medical director and to include the cost incurred by a nursing facility for the acquisition, use and maintenance of computer or cloud-based software systems as a fixed cost. Federal Expenditures Fund allocations are also included for the FMAP match and Other Special Revenue Funds allocations are included for the Service Provider Tax.

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.