

**Amendment - 1st Reading/2nd House-blue - Requested by: Ryan Lynch - (S) Finance and Claims**

- 2023

68th Legislature 2023

Drafter: Julie Johnson, 406-444-4024

HB0917.002.001

1 HOUSE BILL NO. 917  
2 INTRODUCED BY B. KEENAN, J. ESP, L. JONES, J. GILLETTE  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT IMPLEMENTING THE PROVISIONS OF HOUSE BILL NO. 2;  
5 REQUIRING THE EVALUATION OF THE SUPPLEMENTAL PAYMENT METHODOLOGY; ESTABLISHING  
6 THE PERFORMANCE-BASED PAYMENT ACCOUNT; REVISING ALLOCATIONS OF PROCEEDS FROM  
7 THE COLLECTION OF UTILIZATION FEES; SUSPENDING ADDITIONAL PAYMENTS TO DIRECT CARE  
8 WORKERS IF NURSING HOME DAILY RATES EXCEED A CERTAIN AMOUNT; REVISING LICENSING FOR  
9 NURSING HOME FACILITY BED CAPACITY RATES DEPENDING ON A FACILITY'S AVERAGE ACTUAL  
10 OCCUPIED BED RATE; PROVIDING DIRECTION ON THE USE OF FEDERAL FUNDS; PROVIDING  
11 LEGISLATIVE INTENT; ESTABLISHING INTERIM REPORTING REQUIREMENTS; PROVIDING  
12 RULEMAKING AUTHORITY; AMENDING SECTIONS 15-60-210, 15-60-211, 50-5-204, AND SECTION 53-4-  
13 211, MCA; AND PROVIDING AN EFFECTIVE DATE."

14  
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16  
17 NEW SECTION. Section 1. — Evaluation of noncritical access hospital supplemental payment  
18 methodology — rules — report. (1) The department of public health and human services shall evaluate  
19 supplemental payment methodology, including but not limited to how medicaid rate increases and hospital  
20 costs impact the upper payment limit, the integrity of the cost-to-charge ratio calculation, and alternative upper  
21 payment limit calculation methods that may result in more precision. The department shall also require  
22 hospitals to provide evidence annually of how the upper payment limit payments impact efficiency, economy,  
23 quality of care, and access.  
24 (2) — Additionally, the department shall adopt rules that define excessive outlier hospital utilization  
25 fees and upper payment limits and assess graduated penalties to noncritical access hospitals that fit within that  
26 definition.  
27 (3) — The department shall report on the activities described in this section to the joint appropriations

1 ~~subcommittee for health and human services during the 2025 legislative session~~

2

3 **NEW SECTION. Section 1. Legislative intent on rate increases for skilled nursing facilities.**

4 Sixty percent of the base rate increases for skilled nursing facilities must be expended for wage increases to  
5 the direct care workforce, except for management staff. The department of public health and human services  
6 may assess a payback to skilled nursing facilities that do not meet this benchmark.

7

8 ~~**NEW SECTION. Section 2. — Performance-based payment account.** (1) There is a performance-  
9 based payment account in the state special revenue fund as provided in 17-2-102.~~

10 ~~(2) — Any penalties collected by the department of public health and human services from noncritical  
11 access hospitals as provided in [section 1] must be deposited in this account.~~

12 ~~(3) — The legislature may only appropriate funds from this account for the following purposes:~~

13 ~~(a) — developing and testing value-based payment methods, results-based contracting, or other  
14 payment models that restrain the cost of health and human services while increasing person-centered and  
15 family-centered quality outcomes;~~

16 ~~(b) — supplemental payments to noncritical access hospitals that have demonstrated efficiency and  
17 cost-control measures and have met the department's supplemental payment standards; or~~

18 ~~(c) — department administrative costs related to either subsections (3)(a) or (3)(b).~~

19

20 ~~**NEW SECTION. Section 3. — Legislative intent on rate increases for skilled nursing facilities.**~~

21 ~~Sixty percent of the base rate increases for skilled nursing facilities must be expended for wage increases to  
22 the direct care workforce, except for management staff. The department of public health and human services  
23 may assess a payback to skilled nursing facilities that do not meet this benchmark.~~

24

25 **NEW SECTION. Section 2. Child-care subsidies.** (1) For federal funds, including but not limited to  
26 the temporary assistance for needy families program and the child care and development block grant, the  
27 department of public health and human services shall, to the extent possible, utilize the maximum amount