

Amendment - 1st Reading-white - Requested by: Bob Keenan - (H) Appropriations

- 2023

68th Legislature 2023

Drafter: Sue O'Connell, 406-444-3597

HB0649.002.003

1 HOUSE BILL NO. 649
2 INTRODUCED BY M. CAFERRO, M. WEATHERWAX, C. KEOGH, J. HAMILTON, J. COHENOUR, J. WINDY
3 BOY, D. HAWK, E. KERR-CARPENTER, A. BUCKLEY, M. MARLER, L. BISHOP, D. FERN, K. SULLIVAN, K.
4 KORTUM, T. FRANCE, E. STAFMAN, M. THANE, F. SMITH, S. WEBBER, M. FOX, W. CURDY, C. POPE, J.
5 ELLIS, M. DUNWELL, E. MCCLAFFERTY, J. LYNCH, K. ABBOTT, P. TUSS, D. HARVEY, S. STEWART
6 PEREGOY, J. KARLEN, B. CARTER, Z. ZEPHYR, M. ROMANO, D. BAUM, E. MATTHEWS, S. HOWELL
7
8 A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING REIMBURSEMENT RATES FOR PROVIDERS
9 COVERED BY THE RATE STUDY AUTHORIZED UNDER CHAPTER 401, LAWS OF 2021; PROVIDING AN
10 APPROPRIATION; REQUIRING IMPLEMENTATION OF RECOMMENDED RATE INCREASES; PROVIDING
11 FOR INFLATIONARY INCREASES; AMENDING SECTIONS 53-6-113 AND 53-6-402, MCA; AND PROVIDING
12 AN A DELAYED EFFECTIVE DATE."
13

14 WHEREAS, the 2021 Legislature appropriated \$2.75 million in House Bill 632 for a study of the
15 reimbursement rates paid by the Department of Public Health and Human Services to providers of health care,
16 behavioral health care, developmental disabilities, and senior and long-term care services, including nursing
17 homes; and

18 WHEREAS, the Governor and the Department of Public Health and Human Services used the
19 appropriation to contract with the consulting firm of Guidehouse; and

20 WHEREAS, Guidehouse produced two reports in 2022 identifying the rates necessary to cover the
21 costs of providing services and detailing the extent to which the state's rates fall short of the benchmarks; and

22 WHEREAS, the rate levels identified in the rate study reports specify how the state can improve its
23 provider rates to account for the true costs of operating as a health care provider in this state; and

24 WHEREAS, the insufficiency of reimbursement rates has resulted in the closure of 11 nursing homes
25 and the loss of 857 skilled nursing facility beds in the state, with more nursing homes on the brink of closure;
26 and

27 WHEREAS, the insufficiency of reimbursement rates has contributed, and continues to contribute, to
28 extensive and serious shortages of health care and behavioral health care providers; and

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1 WHEREAS, the rate shortfalls and workforce shortages have forced the closure of many providers of
2 services to Montanans with physical and developmental disabilities, including the closure of group homes;~~and~~

3 ~~WHEREAS, the Legislature recognizes the urgent need to fully reimburse providers at the rates~~
4 ~~identified in the provider rate studies.~~

5

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

7

8

(Refer to Introduced Bill)

9

Strike everything after the enacting clause and insert:

10

11 NEW SECTION. Section 1. Appropriation. There is appropriated \$5 million from the general fund
12 and \$9,301,615 from the federal special revenue fund to the director's office of the department of public health
13 and human services for the fiscal year beginning July 1, 2024. The appropriation must be used to increase
14 reimbursement rates for medicaid and nonmedicaid providers and services included in the provider rate studies
15 authorized under Chapter 401, Laws of 2021, and completed in 2022.

16

17 NEW SECTION. Section 2. Effective date. [This act] is effective July 1, 2024.

18

- END -