

Unofficial Draft Copy

As of: July 10, 2012 (11:25am)

LCCF1A

**** Bill No. ****

Introduced By *****

By Request of the Children, Families, Health, and Human Services
Interim Committee

A Bill for an Act entitled: "An Act appropriating funds for provider rate payments; and providing an effective date."

WHEREAS, the 2009 Legislature appropriated money to pay for a 2% increase in the reimbursement rates paid to non-physician Medicaid providers, as well as child care, foster care, subsidized adoption, and in-home services providers, in both fiscal year 2010 and fiscal year 2011;

WHEREAS, physicians participating in the Medicaid program were scheduled to receive a 6% rate increase in fiscal year 2011 under Chapter 414, Laws of 2007; and

WHEREAS, the forecast for state revenues and the state budget in early 2010 triggered a statutory requirement for the governor to reduce state general fund spending; and

WHEREAS, the governor eliminated the provider rate increases scheduled for fiscal year 2011 as part of the reductions made to comply with state law; and

WHEREAS, the reduction in expected reimbursement payments had financial repercussions for individuals and organizations that provide services to Montanans in need of medical care, mental health care, foster care, child care, long-term care, and assistance with activities of daily living; and

WHEREAS, the ending fund balance for the 2013 biennium is expected to be higher than originally predicted.

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. Section 1. Appropriations for medicaid provider reimbursements. (1) There is appropriated \$6,481,952 from the general fund to the department of public health and human services for fiscal year 2013 to be allocated as follows:

- (a) \$660,757 to the addictive and mental disorders division;
- (b) \$292,013 to the child and family services division;
- (c) \$1,133,820 to the developmental services division;
- (d) \$2,337,400 to the health resources division, with \$374,113 of that amount to be disbursed to the children's mental health bureau and \$817,751 to be used for reimbursements to physicians as authorized under Chapter 414, Laws of 2007;
- (e) \$230,358 to the human and community services division for child care provider increases; and
- (f) \$1,827,604 to the senior and long-term care division.

(2) (a) Each division shall use its allocation to make a payment to providers who are enrolled with the state at the time the appropriation is made. The disbursements to providers must be made according to a formula devised by the department to estimate the amount of general fund money that a provider group would have received if the fiscal year 2011 provider rate increases had gone into effect. The formula must take into account a provider's caseload.

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(b) Provider groups that received an increase in reimbursement rates in fiscal year 2011 are not eligible for the payment provided for in this section.

(c) A payment may not be made to a provider if the formula devised by the department results in an individual payment of less than \$20.

NEW SECTION. **Section 2. {standard} Effective date.** [This act] is effective on passage and approval.

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