

1 HOUSE BILL NO. 705

2 INTRODUCED BY E. CLARK

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4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE UTILIZATION FEE ON NURSING FACILITY BED
5 DAYS; CREATING AN ACCOUNT IN THE STATE SPECIAL REVENUE FUND FOR FUNDING INCREASES
6 IN MEDICAID PAYMENTS; PROVIDING AN APPROPRIATION; AMENDING SECTION 15-60-102, MCA; AND
7 PROVIDING AN EFFECTIVE DATE."

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

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11 **Section 1.** Section 15-60-102, MCA, is amended to read:

12 **"15-60-102. (Temporary) Utilization fee for bed days in nursing facilities.** (1) A nursing facility in
13 the state shall pay to the department of revenue a utilization fee for each bed day in the facility in the following
14 amounts:

15 (a) in the amount of \$2.80 for each bed day in the facility, which must be applied to maintain the
16 price-based average payment rate to nursing facilities at the fiscal year 2003 base amount;

17 (b) in fiscal year 2004, an additional amount of \$1.70 to be used to increase the price-based average
18 payment rate to nursing facilities above the fiscal year 2003 base as provided in [section 2]; and

19 (c) beginning July 1, 2004, an additional amount of \$2.50 to be used to increase the price-based
20 average payment rate to nursing facilities above the fiscal year 2003 base as provided in [section 2].

21 (2) The fees collected must be deposited as follows:

22 (a) the amounts collected as provided in subsection (1)(a), in the general fund; and

23 (b) the amounts collected as provided in subsections (1)(b) and (1)(c), in the account in the state special
24 revenue fund as provided in [section 2].

25 (3) A nursing facility may not place a fee created in this section on a patient's bill. (Void on occurrence
26 of contingency--sec. 18, Ch. 746, L. 1991--see chapter compiler's comment.)"

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28 **NEW SECTION. Section 2. State special revenue account.** (1) There is a nursing facility utilization
29 fee account in the state special revenue fund as provided in 17-2-102.

30 (2) All money collected under [section 1(1)(b) and (1)(c)] must be deposited in this account. Money in

1 the account must be used by the department of public health and human services for the purpose of increasing
 2 the average price paid for medicaid nursing facility services above the fiscal year 2003 level under the
 3 price-based reimbursement system used to establish medicaid payment rates to nursing homes.

4 (3) Money remaining in this account at the end of a fiscal year may not be expended or transferred for
 5 any other purpose and is subject to appropriation by a subsequent legislature for purposes consistent with
 6 subsection (2).

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 8 **NEW SECTION. Section 3. Appropriation.** (1) The following money is appropriated to the department
 9 of public health and human services from the account in the state special revenue fund created in [section 2]
 10 to fund increases in medicaid payments to nursing facilities:

11 Fiscal Year 2004

12	State special revenue fund	\$3,499,484
13	Federal special revenue fund	\$9,404,218
14	Total funds	\$12,903,702

15 Fiscal Year 2005

16	State special revenue fund	\$5,172,033
17	Federal special revenue fund	\$13,587,608
18	Total funds	\$18,759,641

19 **(2) THE FOLLOWING MONEY IS APPROPRIATED TO THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES**
 20 **FOR INCREASES IN MEDICAID PAYMENTS TO NURSING FACILITIES:**

21 **FISCAL YEAR 2004**

22	<u>FEDERAL SPECIAL REVENUE FUND</u>	<u>\$ 9,404,218</u>
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23 **FISCAL YEAR 2005**

24	<u>FEDERAL SPECIAL REVENUE FUND</u>	<u>\$13,587,608</u>
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 26 **NEW SECTION. Section 4. Codification instruction.** [Section 2] is intended to be codified as an
 27 integral part of Title 15, chapter 60, part 2, and the provisions of Title 15, chapter 60, part 2, apply to [section 2].

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 29 **NEW SECTION. Section 5. Effective date.** [This act] is effective July 1, 2003.

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