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SENATE PUBLIC HEALTH, WELFARE & SAFETY

EXHIBIT NO. 1

DATE: 4-1-05

BILL NO. HB 704

SENATE PUBLIC HEALTH COMMITTEE

HB 704 DPHHS TIME FRAMES

APRIL 1, 2005

For the record, I am Rose Hughes, Executive Director of the Montana Health Care Association, and I am offering this testimony on behalf of skilled nursing facilities throughout the state of Montana.

The Department of Public Health and Human Services inspects all nursing homes at least once a year. The inspection is called a "survey". Federal guidelines require the state to provide the survey results to the nursing homes within 10 working days. If a facility disagrees with the survey findings, the federal government requires the state to offer the nursing home a "dispute resolution process".

DPHHS, is not meeting the 10-day requirement for survey results and is taking 4 to 5 months to notify facilities of dispute resolution results.

This legislation does 2 things:

1. It requires the department to meet the 10-day requirement for survey results; and
2. It requires the results of all "informal dispute resolutions" to be provided within 45 days after the dispute process is complete.

The survey process is extremely important to facilities. What is written in facilities' survey reports and the ability to resolve disputes in a timely way affects:

- the facility's reputation in the community
- the facility's ability to receive payment from Medicaid and Medicare
- the facility's liability insurance rates
- the facility's ability to correct deficiencies in a timely fashion and assure high quality care for their residents

At previous hearings DPHHS agreed that the time frames in this bill are reasonable. They also gave an example of receiving an \$11,000 sanction from the federal government for being late on a survey report. The federal government pays 87% of the cost of the staff that are used to do this work and the state may be at risk for additional sanctions.

This bill simply provides reasonable time lines for completing important work.

Please vote "do pass" on HB 704.