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 <u>A DELAYED</u> 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



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 -

