

HOUSE BILL NO. 705
INTRODUCED BY E. CLARK

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

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

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

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

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

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

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

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

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

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

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

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

(2) All money collected under [section 1(1)(b) and (1)(c)] must be deposited in this account. Money in the account must be used by the department of public health and human services for the purpose of increasing

the average price paid for medicaid nursing facility services above the fiscal year 2003 level under the price-based reimbursement system used to establish medicaid payment rates to nursing homes.

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

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

Fiscal Year 2004

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

Fiscal Year 2005

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

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

FISCAL YEAR 2004

FEDERAL SPECIAL REVENUE FUND \$ 9,404,218

FISCAL YEAR 2005

FEDERAL SPECIAL REVENUE FUND \$13,587,608

NEW SECTION. Section 4. Codification instruction. [Section 2] is intended to be codified as an integral part of Title 15, chapter 60, part 2, and the provisions of Title 15, chapter 60, part 2, apply to [section 2].

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

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