

HOUSE BILL NO. 12

INTRODUCED BY C. PEASE-LOPEZ

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;
RESTRICTING USE OF FUNDS FOR PROVIDER PAYMENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE
DATE."

WHEREAS, the 2009 Legislature appropriated money to pay for a 2% increase in the reimbursement rates paid to nonphysician 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; and

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 revenue 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 AND OTHER SERVICES 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;



1 (c) \$1,133,820 to the developmental services division;

2 (d) \$2,337,400 to the health resources division, with \$374,113 of that amount to be disbursed to the
3 children's mental health bureau and \$817,751 to be used for reimbursements to physicians as authorized under
4 Chapter 414, Laws of 2007;

5 (e) \$230,358 to the human and community services division for child care provider increases; and

6 (f) \$1,827,604 to the senior and long-term care division.

7 (2) THERE IS APPROPRIATED UP TO \$12,700,000 FROM THE FEDERAL SPECIAL REVENUE ACCOUNT TO THE
8 DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES FOR FISCAL YEAR 2013 TO BE USED AS MATCHING FUNDS FOR
9 PROVIDER RATE INCREASES.

10 ~~(2)(3)~~ (a) Each division shall use its allocation to make a payment to providers who are enrolled with the
11 state at the time the appropriation is made. The disbursements to providers must be made according to a formula
12 devised by the department to estimate the amount of general fund money that a provider group would have
13 received if the fiscal year 2011 provider rate increases had gone into effect. The formula must take into account
14 a provider's caseload FUND A ONE-TIME PROVIDER RATE INCREASE IN FISCAL YEAR 2013 UP TO THE MAXIMUM AMOUNT
15 ALLOWED BY THE APPROPRIATION.

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

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

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21 NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval.

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23 NEW SECTION. SECTION 3. RESTRICTED USE OF FUNDS. THE APPROPRIATIONS IN [SECTION 1] MAY ONLY BE
24 USED TO FUND THE PROVIDER RATE INCREASES IDENTIFIED IN [SECTION 1].

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