

HOUSE BILL NO. 17

INTRODUCED BY R. EHLE

BY REQUEST OF THE CHILDREN, FAMILIES, HEALTH, AND HUMAN SERVICES INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES TO INCREASE SERVICE SLOTS AND ENHANCE REIMBURSEMENT RATES UNDER THE MEDICAID HOME AND COMMUNITY-BASED SERVICES WAIVER FOR ELDERLY AND PHYSICALLY DISABLED INDIVIDUALS; REQUIRING A REPORT; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, when individuals with Alzheimer's disease or other dementias have the opportunity to maintain their dignity and self-esteem by living at home or in community residential settings their quality of life is increased; and

WHEREAS, many individuals with Alzheimer's disease or other dementias deplete their resources and turn to Medicaid to help them stay in their homes or in assisted living; and

WHEREAS, 504 Montanans who are entitled to nursing home care were on the waiting list for Medicaid home and community-based waiver services on August 1, 2016; and

WHEREAS, the average cost to the Montana Medicaid program for nursing home care is significantly more than the cost for care in assisted living or in the home; and

WHEREAS, 92% of Montanans want for themselves or their loved ones to live at home with assistance or in an assisted living or group home in their community if life becomes difficult due to illness; and

WHEREAS, there is a need to expand Medicaid home and community-based waiver services and to incentivize providers to offer care to Medicaid members in their homes or in assisted living settings to ensure that Medicaid members can choose the most appropriate setting in which to receive care and avoid unnecessary nursing home placement.

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

NEW SECTION. **Section 1. Appropriation -- report.** (1) (a) The following amounts are appropriated to the department of public health and human services to increase the number of basic and adult residential service slots under the home and community-based medicaid services waiver administered by the senior and

1 long-term care division for elderly and physically disabled individuals:

2           Fiscal year 2018           \$1,083,686 federal special revenue

3                                       \$585,064 general fund

4           Fiscal year 2019           \$2,528,601 federal special revenue

5                                       \$1,365,149 general fund

6           (b) The department shall increase the number of basic and adult residential services slots by 200 slots  
7 over the biennium, phasing in 50 slots every 6 months of the biennium.

8           (2) (a) The following amounts are appropriated to the department of public health and human services  
9 to increase the reimbursement rate for adult residential service slots in the home and community-based services  
10 waiver administered by the senior and long-term care division for elderly and physically disabled individuals:

11           Fiscal year 2018           \$2,185,989 federal special revenue

12                                       \$1,180,178 general fund

13           Fiscal year 2019           \$3,990,608 federal special revenue

14                                       \$2,154,461 general fund

15           (b) The appropriation provided for in this subsection (2) must be used to:

16           (i) increase the base daily reimbursement rate for 85% of the adult residential slots by \$5.80 every 6  
17 months of the biennium; and

18           (ii) increase the base daily reimbursement rate for up to 15% of the adult residential slots by \$44.90  
19 effective July 1, 2017, to pay for memory care for individuals with Alzheimer's disease or other dementias.

20           (3) The department shall report to the children, families, health, and human services interim committee  
21 by September 15, 2018, and to the 66th legislature, as provided in 5-11-210, on the effectiveness of the increased  
22 waiver slots and enhanced reimbursement rates. The report must include information on:

23           (a) the use of the new waiver slots;

24           (b) whether the increased reimbursement rates led to an increase in the number of providers accepting  
25 medicaid clients;

26           (c) whether the percentage of slots designated for memory care was adequate to address the need for  
27 that care; and

28           (d) whether fewer patients with Alzheimer's disease or other dementias were admitted to state facilities,  
29 including the Montana state hospital and the Montana mental health nursing care center. If fewer patients were  
30 admitted to state facilities, the department must estimate the amount of money saved by placing fewer individuals

1 with Alzheimer's disease or other dementias in the facilities.

2 (4) The legislature intends that the appropriations in this section be considered a part of the ongoing  
3 base for the next legislative session.

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5 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2017.

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