



AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES FOR A DEVELOPMENTAL DISABILITY AND AGING SERVICES PROVIDER RATE INCREASE FOR DIRECT CARE WORKER WAGES; AUTHORIZING A FUND TRANSFER FROM THE OLDER MONTANANS TRUST FUND TO THE DIRECT CARE WORKER WAGES ACCOUNT; AMENDING SECTION 52-3-115, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.

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

Section 1. Appropriation for direct care worker wages. (1) The following amounts are appropriated to the department of public health and human services for the biennium beginning July 1, 2017, for a rate increase for developmental disability services providers to be phased in and used as provided in this section:

Fiscal Year 2018	\$5,277,977	federal special revenue
	\$2,789,240	state special revenue fund
Fiscal Year 2019	\$12,326,129	federal special revenue
	\$6,526,928	state special revenue fund

(2) Providers must use the appropriation to increase wages only for workers who:

- (a) provide direct care;
- (b) are employed in community services established pursuant to 53-20-205; and
- (c) are not state employees.

(3) Except as provided in subsection (4), the department shall phase in the appropriation on July 1 and January 1 of each year of the biennium in a manner that provides the equivalent of an increase in wages of at least 75 cents an hour per employee.

(4) (a) If the appropriation is insufficient to provide the equivalent of a biannual increase of 75 cents an hour per employee, the department shall provide the maximum provider rate increase possible from the appropriation.

(b) If the appropriation allows for the equivalent of a biannual increase of more than 75 cents an hour

per employee, the department shall use the full amount of the appropriation to provide the greater increase.

(5) The appropriation in this section is intended to increase medicaid services and not to supplant the general fund in the trended traditional level of appropriation for medicaid services and medicaid provider rates. The appropriation in this section may not be used to provide wages to program managers, administrative staff, management staff, schedulers, nurse supervisors, licensed practical nurses, registered nurses, or case managers.

(6) The legislature intends that the appropriation in this section be considered a part of the ongoing base for the next legislative session.

Section 2. Appropriation for direct care worker wages. (1) The following amounts are appropriated to the department of public health and human services for the biennium beginning July 1, 2017, for a rate increase for home and community-based services waiver direct care workers and for community services personal care assistants to be administered by the senior and long-term care division for elderly and physically disabled individuals, to be phased in and used as provided in this section:

Fiscal Year 2018	\$808,268	federal special revenue
	\$427,144	state special revenue fund
Fiscal Year 2019	\$1,211,568	federal special revenue
	\$641,549	state special revenue fund

(2) Providers may use the appropriation to increase wages only for workers who:

- (a) provide direct care;
- (b) are employed in community services; and
- (c) are not state employees.

(3) The department shall use the appropriation starting on:

- (a) July 1, 2017, to increase wages by at least \$1.50 an hour per employee; and
- (b) July 1, 2018, to increase wages by at least \$2.25 an hour per employee.

(4) The appropriation in this section is intended to increase medicaid services and not to supplant the general fund in the trended traditional level of appropriation for medicaid services and medicaid provider rates. The appropriation in this section may not be used to provide wages to program managers, administrative staff, management staff, schedulers, nurse supervisors, licensed practical nurses, registered nurses, or case managers.

(5) The legislature intends that the appropriation in this section be considered a part of the ongoing base

for the next legislative session.

Section 3. Direct care worker wage account. (1) There is an account in the state special revenue fund established by 17-2-102 to be known as the direct care worker wage account.

(2) There must be deposited in the account money received from fund transfers provided by [sections 4 and 5].

(3) The money in the account must be used to fund the state special revenue appropriations in [sections 1 and 2].

Section 4. Contingent fund transfer to direct care worker wage account. (1) For the fiscal year ending June 30, 2017, if the certified unaudited general fund revenue and transfers into the general fund received in fiscal year 2017 is more than the estimated state general fund revenue in House Joint Resolution No. 2 for the same fiscal year, then the state treasurer shall transfer the amount of general fund revenue that exceeds the revenue estimate from the general fund to the direct care worker wage account provided in [section 3], not to exceed \$2,789,240. The state treasurer shall make the transfer by August 1, 2017, and before the transfer in section 14(4) of Senate Bill No. 367.

(2) For the fiscal year ending June 30, 2018, if the certified unaudited general fund revenue and transfers into the general fund received in fiscal year 2018 is more than the estimated state general fund revenue in House Joint Resolution No. 2 for the same fiscal year, then the state treasurer shall transfer the amount of general fund revenue that exceeds the revenue estimate from the general fund to the direct care worker wage account provided in [section 3], not to exceed \$6,526,928. The state treasurer shall make the transfer by August 1, 2018, and before the transfer in section 14(4) of Senate Bill No. 367.

(3) For the purpose of this section, certified unaudited general fund revenue and transfers into the general fund are those recorded in the statewide accounting, budgeting, and human resource system using generally accepted accounting principles in accordance with 17-1-102 and include transfers into the general fund.

Section 5. Transfer of funds to direct care worker wage account. By July 1, 2017, the state treasurer shall transfer \$1,068,693 from the older Montanans trust fund, provided for in 52-3-115, to the direct care worker wage account provided in [section 3] for the biennium beginning July 1, 2017.

Section 6. Section 52-3-115, MCA, is amended to read:

"52-3-115. Older Montanans trust fund. (1) There is an older Montanans trust fund within the permanent fund type. The trust fund is subject to legislative appropriation as provided in this section.

(2) The money in the fund may be used to ~~create new, innovative services or to expand~~ fund existing services for the benefit of Montana residents 60 years of age or older that will enable those Montanans to live an independent lifestyle in the least restrictive setting and will promote the dignity of and respect for those Montanans. The interest and income produced by the trust fund and appropriated to the department by the legislature is intended to increase services referred to in this subsection and not to supplant other sources of revenue for those programs in the trended traditional level, as used in 53-6-1201, of appropriations for those services.

(3) The department may accept contributions and gifts for the trust fund in money or other forms, and when accepted, the contributions and gifts must be deposited in the trust fund.

(4) Interest and income earned on money in the trust fund must be retained within the fund except as provided in this section. ~~Until the year 2015, if assets in the fund reach the following amounts, money~~ Money may be appropriated by the legislature and used ~~in the following amounts~~ for the programs specified in ~~subsection (2):~~ [section 2].

~~—— (a) When the fund balance reaches \$20 million, 50% of the interest earned may be appropriated.~~

~~—— (b) When the fund balance reaches \$50 million, 60% of the interest earned may be appropriated.~~

~~—— (c) When the fund balance reaches \$100 million, 80% of the interest earned may be appropriated.~~

~~—— (5) On and after January 1, 2015, 90% of the interest earned on the trust fund may be appropriated for the programs specified in subsection (2).~~

~~—— (6)~~(5) The department shall provide to the legislature a biennial report of the expenditures of the money appropriated from the older Montanans trust fund as provided in 5-11-210."

Section 7. Coordination instruction. If Senate Bill No. 367 and [this act] are both passed and approved and if Senate Bill No. 261 is not passed and approved, then [section 1 of Senate Bill No. 367] is amended to include the following definition:

"(4) "Excess revenues" means the amount of general fund revenue that exceeds the revenue estimate established pursuant to 5-5-227 minus the amount of the general fund transfer provided for in [section 4 of House Bill No. 638]."

Section 8. Coordination instruction. If Senate Bill No. 261, Senate Bill No. 367, and [this act] are

passed and approved, then [section 1 of Senate Bill No. 367] is amended to include the following definition:

"(4) "Excess revenues" means the amount of general fund revenue that exceeds the revenue estimate established pursuant to 5-5-227 plus the amount of the general fund transfer provided for in [section 4 of House Bill No. 638]."

Section 9. Effective date. [This act] is effective July 1, 2017.

Section 10. Termination. [Sections 3 and 6] terminate June 30, 2019.

- END -

I hereby certify that the within bill,
HB 0638, originated in the House.

Speaker of the House

Signed this _____ day
of _____, 2017.

Chief Clerk of the House

President of the Senate

Signed this _____ day
of _____, 2017.

HOUSE BILL NO. 638

INTRODUCED BY J. KNOKEY

AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES FOR A DEVELOPMENTAL DISABILITY AND AGING SERVICES PROVIDER RATE INCREASE FOR DIRECT CARE WORKER WAGES; AUTHORIZING A FUND TRANSFER FROM THE OLDER MONTANANS TRUST FUND TO THE DIRECT CARE WORKER WAGES ACCOUNT; AMENDING SECTION 52-3-115, MCA; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE.