

Amendment - 1st Reading-white - Requested by: Becky Beard - (S) Public Health, Welfare and Safety

- 2023

68th Legislature 2023

Drafter: Madelyn Krezowski, (406) 444-6857

SB0296.001.002

1 SENATE BILL NO. 296
2 INTRODUCED BY B. BEARD, M. MALONE, T. WELCH, C. KEOGH, J. SCHILLINGER, T. RUNNING WOLF,
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6 BROCKMAN, G. PARRY, M. YAKAWICH, B. BROWN, J. SMALL, B. MOLNAR, S. HINEBAUCH, S.
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9
10 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE SENIOR CARE FACILITY ACCESS AND
11 STABILIZATION ACT; REVISING FUNDING LAWS RELATED TO SKILLED NURSING AND ASSISTED
12 LIVING FACILITIES; ESTABLISHING PROCEDURES FOR CALCULATING ROOM AND BOARD FOR
13 ASSISTED LIVING RESIDENTS; REQUIRING MONEY APPROPRIATED FOR NURSING HOME SERVICES
14 TO BE USED ONLY FOR THOSE PURPOSES; AMENDING SECTION 53-6-113, MCA; AND PROVIDING AN
15 EFFECTIVE DATE."

16
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

18
19 NEW SECTION. **Section 1. Short title.** [Sections 1 through 8] may be cited as the "Senior Care
20 Facility Access and Stabilization Act".

21
22 NEW SECTION. **Section 2. Purpose.** (1) The legislature affirms the importance of providing frail,
23 elderly Montanans with quality residential long-term care services that meet health and safety standards and
24 are provided close to home, family, and friends.

25 (2) The purposes of [sections 1 through 8] are to:

26 (a) ensure that residential long-term care services are available close to home for Montana seniors
27 who need that level of care;

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- 1 (v) the cost of complying with revised or new federal regulations; and
- 2 (vi) incentives for improving quality and access to care for difficult to place residents.
- 3 (b) The department shall establish reimbursement rates for nursing homes that provide a
- 4 differential payment based on costs, acuity of residents served, geographic cost factors, and quality and other
- 5 incentives.
- 6 (2) In setting medicaid reimbursement rates for assisted living facilities, the department shall
- 7 consider:
- 8 (a) the actual costs of providing services, including costs associated with quality and safety
- 9 standards;
- 10 (b) the acuity of the residents served in the facility;
- 11 (c) inflation; and
- 12 (d) the need to provide access to assisted living services for persons enrolled in the medicaid
- 13 program.

15 **NEW SECTION. Section 5. Inflationary adjustments for nursing homes.** (1) ~~For~~ Beginning in the

16 fiscal year beginning July 1, 2025, medicaid reimbursement rates paid for nursing home services must be

17 increased annually, at a minimum, by an inflation factor equal to the health care cost review skilled nursing

18 facility total market basket index published by IHS global insight, or a comparable index if the IHS global insight

19 index is no longer published, but in no case may the medicaid reimbursement rate increase under this section

20 exceed 3%.

21 (2) For the fiscal year beginning July 1, 2027, and every 4 years thereafter, the department shall

22 conduct a comprehensive analysis of the cost of providing nursing home services and determine whether

23 rebasing the rates is necessary. The department shall report to the children, families, health, and human

24 services interim committee and the legislature in accordance with 5-11-210 on the results of the analysis.

26 **NEW SECTION. Section 6. Use of nursing home appropriations.** (1) (a) The department may use

27 money appropriated to meet the projected medicaid nursing home caseloads only for reimbursements to

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1 nursing homes.

2 (b) If the actual caseload in a fiscal year is less than the projected caseload, the appropriation may
3 be used to increase rates to close the gap between the weighted average medicaid rate paid to nursing homes
4 and the actual weighted average costs identified in facility cost reports, indexed forward for inflation.

5 (c) If no gap exists between the rate paid and identified costs, the appropriation may be used for
6 quality incentives, workforce enhancements, or enhancements and incentives designed to stabilize access to
7 and improve the quality of nursing home services.

8 (2) Unencumbered funds appropriated to a department division for nursing home services may not
9 be transferred to another program within the division or to another department division. The unencumbered
10 money must revert to the fund from which it was appropriated.

11 (3) The department shall report annually to the legislative finance committee in accordance with 5-
12 11-210 on the status of appropriations for nursing home services.

13
14 **NEW SECTION. Section 7. Inflationary adjustments for assisted living services.** (1) ~~For~~
15 Beginning in the fiscal year beginning July 1, 2025, the department shall increase rates paid for assisted living
16 facility services annually, at a minimum, by an inflation factor equal to the consumer price index, U.S. city
17 average, all urban consumers, for all items, as published by the bureau of labor statistics of the United States
18 department of labor, but in no case may the rate increase under this section exceed 3%.

19 (2) For the fiscal year beginning July 1, 2027, and every 4 years thereafter, the department shall
20 conduct a comprehensive analysis of the cost of providing assisted living facility services and determine
21 whether rebasing the rates is necessary. The department shall report to the children, families, health, and
22 human services interim committee and the legislature in accordance with 5-11-210 on the results of the
23 analysis.

24
25 **NEW SECTION. Section 8. Calculation of room and board costs for assisted living facility**
26 **services.** (1) The department shall, at a minimum, annually adjust the amount that persons enrolled in the
27 Montana medicaid program must pay for room and board when receiving assisted living facility services.