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Date: (Filing No. S-)

HEALTH AND HUMAN SERVICES

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**STATE OF MAINE
SENATE
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 418, L.D. 1350, Bill, “An Act To Improve Rural Health Care”

Amend the bill in section 1 in paragraph QQ in the 2nd line (page 1, line 4 in L.D.) by inserting after the following: "income" the following: 'and not subtracted under paragraph FF'

Amend the bill by striking out all of sections 3 and 4 and inserting the following:

Sec. 3. Reimbursement for acute care critical access hospitals. The Department of Health and Human Services shall amend its rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 45 regarding acute care critical access hospital physician services to require MaineCare reimbursement of 100% for all hospital-based physician costs.

Sec. 4. Reimbursement for rural health clinics. The Department of Health and Human Services shall amend its rule Chapter 101: MaineCare Benefits Manual, Chapter II, Section 103 regarding the department's reimbursement methodology to provide an alternative payment methodology option that, effective January 1, 2020, is the same as the existing methodology except that rural health clinics may be reimbursed on the basis of 100% of the average of the reasonable costs of providing MaineCare-covered services during calendar years 2016 and 2017 as long as reimbursement is no less than reimbursement received under the prospective payment system described in Section 1902(bb) of the United States Social Security Act. Each rural health clinic must be given the option to be reimbursed under the methodology required by this section or under the existing prospective payment system methodology.

Sec. 5. State plan amendments; rulemaking. The Department of Health and Human Services shall submit any necessary state plan amendments to implement the requirements of this Act to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services no later than January 1, 2020. Upon approval, the department shall amend its rules within 180 days of approval. Rules adopted pursuant to this section are routine technical rules as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A.

COMMITTEE AMENDMENT

1 **Sec. 6. Appropriations and allocations.** The following appropriations and
 2 allocations are made.

3 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**
 4 **Revenue Services, Bureau of 0002**

5 Initiative: Provides one-time funding for computer programming to update the individual
 6 income tax return.

7	GENERAL FUND	2019-20	2020-21
8	All Other	\$0	\$11,000
9			
10	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$11,000</u>

11	ADMINISTRATIVE AND FINANCIAL		
12	SERVICES, DEPARTMENT OF		
13	DEPARTMENT TOTALS	2019-20	2020-21
14			
15	GENERAL FUND	\$0	\$11,000
16			
17	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$11,000</u>

18 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**
 19 **Medical Care - Payments to Providers 0147**

20 Initiative: Provides appropriations and allocations to allow for MaineCare reimbursement
 21 of 100% for all hospital-based physician costs.

22	GENERAL FUND	2019-20	2020-21
23	All Other	\$371,768	\$753,736
24			
25	GENERAL FUND TOTAL	<u>\$371,768</u>	<u>\$753,736</u>

26	FEDERAL EXPENDITURES FUND	2019-20	2020-21
27	All Other	\$793,942	\$1,577,684
28			
29	FEDERAL EXPENDITURES FUND TOTAL	<u>\$793,942</u>	<u>\$1,577,684</u>

30 **Medical Care - Payments to Providers 0147**

31 Initiative: Provides appropriations and allocations to allow for MaineCare reimbursement
 32 for rural hospitals at 100% of inpatient hospital-based physician costs, outpatient
 33 emergency room hospital-based physician costs, outpatient nonemergency room hospital-
 34 based physician costs and graduate medical education costs and to allow for MaineCare

1 reimbursement for nonrural hospitals at 93.3% of inpatient hospital-based physician
 2 costs, 93.4% of outpatient emergency room hospital-based physician costs and 83.8% of
 3 outpatient nonemergency room hospital-based physician costs.

4	GENERAL FUND	2019-20	2020-21
5	All Other	\$263,428	\$534,084
6			
7	GENERAL FUND TOTAL	<u>\$263,428</u>	<u>\$534,084</u>

8	FEDERAL EXPENDITURES FUND	2019-20	2020-21
9	All Other	\$562,573	\$1,117,918
10			
11	FEDERAL EXPENDITURES FUND TOTAL	<u>\$562,573</u>	<u>\$1,117,918</u>

12 **Medical Care - Payments to Providers 0147**

13 Initiative: Provides appropriations and allocations to allow for an alternative payment
 14 methodology option that, effective January 1, 2019, is the same as the existing
 15 methodology except that rural health clinics may be reimbursed on the basis of 100% of
 16 the average of the reasonable costs of providing MaineCare-covered services during
 17 calendar years 2016 and 2017 as long as reimbursement is no less than reimbursement
 18 received under the prospective payment system.

19	GENERAL FUND	2019-20	2020-21
20	All Other	\$739,449	\$1,499,185
21			
22	GENERAL FUND TOTAL	<u>\$739,449</u>	<u>\$1,499,185</u>

23	FEDERAL EXPENDITURES FUND	2019-20	2020-21
24	All Other	\$1,579,154	\$3,138,020
25			
26	FEDERAL EXPENDITURES FUND TOTAL	<u>\$1,579,154</u>	<u>\$3,138,020</u>

27	HEALTH AND HUMAN SERVICES,		
28	DEPARTMENT OF		
29	DEPARTMENT TOTALS	2019-20	2020-21
30			
31	GENERAL FUND	\$1,374,645	\$2,787,005
32	FEDERAL EXPENDITURES FUND	\$2,935,669	\$5,833,622
33			
34	DEPARTMENT TOTAL - ALL FUNDS	<u>\$4,310,314</u>	<u>\$8,620,627</u>

	2019-20	2020-21
SECTION TOTALS		
GENERAL FUND	\$1,374,645	\$2,798,005
FEDERAL EXPENDITURES FUND	\$2,935,669	\$5,833,622
SECTION TOTAL - ALL FUNDS	\$4,310,314	\$8,631,627

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment makes the following changes to the bill.

1. It changes the reimbursement for acute care critical access hospitals to 100% for all hospital-based physician costs rather than facility and physician costs.

2. It clarifies that rural health clinics are paid under an alternative payment methodology option that is the same as the current system except for rebasing costs to 2016 and 2017 costs as long as the rural health clinics are not paid less than the current reimbursement rate.

3. It requires the Department of Health and Human Services to submit any necessary state plan amendments to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services no later than January 1, 2020. Rulemaking must be completed by the department within 180 days of receiving federal approval.

4. It adds language to clarify that taxpayers cannot claim a double benefit for educational opportunity tax credits.

5. It adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)