

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill in section 1 by striking out all of subsection 2 (page 1, lines 33 to 35 in L.D.) and inserting the following:

**‘2. Rate increases for fiscal year 2018-19 and thereafter.** For the state fiscal year ending June 30, 2019 and each year thereafter, the MaineCare payment rates for personal care and related services under each of the provisions under this section calculated under subsection 1 must be increased by an inflation adjustment cost-of-living percentage change in reimbursement in accordance with the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index medical care services index.’

Amend the bill in section 2 by striking out all of subsection 2 (page 2, lines 8 to 11 in L.D.) and inserting the following:

**‘2. Rate increases for fiscal year 2018-19 and thereafter until completion of rate study.** For the state fiscal year ending June 30, 2019 and each year thereafter until the completion of the rate study under subsection 3, the MaineCare payment rates attributable to wages and salaries for personal care and related services under each of the provisions under this section calculated under subsection 1 must be increased by an inflation adjustment cost-of-living percentage change in reimbursement in accordance with the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index medical care services index.

**3. Rate study.** Cost-of-living increases as described in subsection 2 must continue on an annual basis until the Department of Health and Human Services has completed a rate study conducted by a 3rd party, including participation of providers, for adult family care services, adult day services or homemaker services and the rates in the rate study have been implemented.’

Amend the bill in section 3 by striking out all of subsection 2 (page 2, lines 30 to 41 in L.D.) and inserting the following:

**‘2. Rate increases for fiscal year 2018-19 and thereafter until completion of rate study.** For the state fiscal year ending June 30, 2019 and each year thereafter until the completion of the rate study under subsection 3, an additional extraordinary circumstance supplemental allowance must be made as required by section 34 of the Principles of Reimbursement for Nursing Facilities equal to the amount of an inflation adjustment cost-of-living percentage change in reimbursement in accordance with the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index medical care services index of the portion of each facility's prospective and final prospective rate that is attributable to wages and wage-related benefits in both the direct care cost component and the routine care cost component. This supplemental allowance must be provided as part of each facility's prospective rate, notwithstanding any otherwise applicable caps or limits on reimbursement. This supplemental allowance must also be allowed and paid at final audit to the full extent that the facility has reported increased costs for wages and wage-related benefits, notwithstanding any otherwise applicable caps or limits on reimbursement, including without limitation the amount of the supplemental allowance added to prospective payment rates.

**3. Rate study.** Cost-of-living increases as described in subsection 2 must continue on an annual basis until the Department of Health and Human Services has completed a rate study conducted by a

3rd party, including participation of providers, for nursing facilities and the rates in the rate study have been implemented.’

Amend the bill in section 4 by striking out all of subsection 2 (page 3, lines 17 to 29 in L.D.) and inserting the following:

**‘2. Rate increase for fiscal year 2018-19 and thereafter until completion of rate study.** For the state fiscal year ending June 30, 2019 and each year thereafter until the completion of the rate study under subsection 3, additional reimbursement by a supplemental payment in the amount of an inflation adjustment cost-of-living percentage change in reimbursement in accordance with the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index medical care services index over the payment rate calculated under subsection 1 of the portion of the facility's per diem rate that is attributable to wages, wage-related benefits and workers' compensation must be added to the per diem rate until the department adjusts the direct care pricer, the routine limit and the personal care services limit, as applicable, to incorporate this increase going forward. This increase must be provided as part of each facility's per diem rate notwithstanding any otherwise applicable caps or limits on reimbursement. This supplemental payment must also be allowed and paid at final audit to the full extent that the facility has reported increased costs for wages, wage-related benefits and workers' compensation, notwithstanding any otherwise applicable caps or limits on reimbursement, including without limitation the amount of the supplemental payment added to prospective payment rates.

**3. Rate study.** Cost-of-living increases as described in subsection 2 must continue on an annual basis until the Department of Health and Human Services has completed a rate study conducted by a 3rd party, including participation of providers, for residential care facilities and the rates in the rate study have been implemented.’

Amend the bill in section 5 in subsection 9 in the first line (page 5, line 30 in L.D.) by striking out the following: "October 15" and inserting the following: 'December 2'

Amend the bill by inserting after section 5 the following:

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

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

**Developmental Services - Community 0122**

Initiative: Provides appropriations for an increase to rates for certain services.

<b>GENERAL FUND</b>	<b>2017-18</b>	<b>2018-19</b>
All Other	\$66,990	\$96,465
<b>GENERAL FUND TOTAL</b>	<b>\$66,990</b>	<b>\$96,465</b>

**Long Term Care - Office of Aging and Disability Services 0420**

Initiative: Provides appropriations for an increase to rates for certain services.

<b>GENERAL FUND</b>	<b>2017-18</b>	<b>2018-19</b>
All Other	\$929,673	\$1,421,378
<b>GENERAL FUND TOTAL</b>	<b>\$929,673</b>	<b>\$1,421,378</b>

**Medical Care - Payments to Providers 0147**

Initiative: Provides appropriations and allocations for an increase to rates for certain services.

<b>GENERAL FUND</b>	<b>2017-18</b>	<b>2018-19</b>
All Other	\$6,405,351	\$9,585,335
<b>GENERAL FUND TOTAL</b>	<b>\$6,405,351</b>	<b>\$9,585,335</b>

<b>FEDERAL EXPENDITURES FUND</b>	<b>2017-18</b>	<b>2018-19</b>
All Other	\$20,085,327	\$35,811,906
<b>FEDERAL EXPENDITURES FUND TOTAL</b>	<b>\$20,085,327</b>	<b>\$35,811,906</b>

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2017-18</b>	<b>2018-19</b>
All Other	\$773,294	\$1,214,774
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$773,294</b>	<b>\$1,214,774</b>

**Nursing Facilities 0148**

Initiative: Provides appropriations and allocations for an increase to rates for certain services.

<b>GENERAL FUND</b>	<b>2017-18</b>	<b>2018-19</b>
All Other	\$18,901,499	\$24,563,125
<b>GENERAL FUND TOTAL</b>	<b>\$18,901,499</b>	<b>\$24,563,125</b>

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2017-18</b>	<b>2018-19</b>
All Other	\$1,661,427	\$2,609,923

OTHER SPECIAL REVENUE FUNDS TOTAL	\$1,661,427	\$2,609,923
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**PNMI Room and Board Z009**

Initiative: Provides appropriations for an increase to rates for certain services.

<b>GENERAL FUND</b>	<b>2017-18</b>	<b>2018-19</b>
All Other	\$1,031,058	\$1,619,699
<b>GENERAL FUND TOTAL</b>	<b>\$1,031,058</b>	<b>\$1,619,699</b>

<b>HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)</b>		
<b>DEPARTMENT TOTALS</b>	<b>2017-18</b>	<b>2018-19</b>
GENERAL FUND	\$27,334,571	\$37,286,002
FEDERAL EXPENDITURES FUND	\$20,085,327	\$35,811,906
OTHER SPECIAL REVENUE FUNDS	\$2,434,721	\$3,824,697
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$49,854,619</b>	<b>\$76,922,605</b>

**SUMMARY**

This amendment, which is the majority report of the committee, makes the following changes to the bill.

1. Instead of the 10% increase proposed in the bill, the amendment provides that rate increases for fiscal year 2018-19 for all services in the bill must be paid according to the inflation adjustment cost-of-living percentage change to reimbursement in accordance with the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index medical care services index.
2. The amendment provides that rate increases for fiscal year 2019-20 and annually thereafter for those services must be paid using the same adjustment as fiscal year 2018-19 until a rate study has been completed by the Department of Health and Human Services, conducted by a 3rd party and including the participation of providers, and the rates in the rate study have been implemented.
3. It changes the date of the report from the Commission To Study Long-term Care Workforce Issues from October 15, 2017 to December 2, 2017.
4. It adds an appropriations and allocations section.

**FISCAL NOTE REQUIRED**  
(See attached)