Janet T. Mills Governor



Jeanne M. Lambrew, Ph.D. Commissioner

February 16, 2023

Senator Joseph Baldacci, Chair Representative Michelle Meyer, Chair Members, Joint Standing Committee on Health and Human Services 100 State House Station Augusta, ME 04333-0100

Re: LD 225 – An Act to Expand the Reimbursement to Hospitals for Days Awaiting Placement in Facilities

Senator Baldacci, Representative Meyer, and Members of the Joint Standing Committee on Health and Human Services:

Thank you with the opportunity to share our opposition to LD 225, *An Act to Expand the Reimbursement to Hospitals for Days Awaiting Placement in Facilities*. This bill requires the Department to provide reimbursement to hospitals other than critical access hospitals for each day after the 10<sup>th</sup> day that a MaineCare-eligible individual is in the care of a hospital while awaiting placement in a nursing facility or residential care facility. This bill also removes the provision that repeals the current law on December 31, 2023.

The Department opposes the amended version of this bill that removes the \$500,000 cap on General Fund and federal dollars for each year. This change will require MaineCare rulemaking and approval from the Centers for Medicare and Medicaid Services.

The Department also opposes this bill as it introduces changes to current rate reimbursement methodology, undermining the rate reform process and principles established last year in P.L. 2021, Ch. 639, which was passed in the last legislature as LD 1867, *An Act to Codify MaineCare Rate System Reform*. The intent behind that bill was to establish "... a rate-setting system for the development and maintenance of MaineCare payment models ... to be consistent with efficiency, economy, and quality of care; that are adequate to support MaineCare member access to services; and that are equitable and data-driven."

We wanted you to be aware of the above information as you consider this bill going forward. If you have any further questions, please feel free to contact me.

Sincerely,

Michelle Probert Director MaineCare Services