Jeanne M. Lambrew, Ph.D. Commissioner



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April 20, 2023

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

Re: LD 1474 – Resolve, Directing the Department of Health and Human Services to Expedite Reimbursement of Nursing Facilities

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

This letter is to provide information neither for nor against LD 1474, Resolve, Directing the Department of Health and Human Services to Expedite Reimbursement of Nursing Facilities. This bill requires the Department of Health and Human Services to amend its rules to require the department to reimburse at least 75% of a nursing facility's costs pursuant to the facility's cost reports within 90 days of receipt.

Language in the bill needs to be updated from "75% of a nursing facility's costs pursuant to the facility's cost reports" to "75% of the as-filed settlement." The as-filed settlement is the calculation of the over or underpayment of the allowable MaineCare reimbursement for a given period. Facilities are paid throughout the year based on their approved interim rate. The cost report compares their allowable reimbursement for the period to the payments they've already received to arrive at an amount due to/from the provider. There are caps that are built into the reimbursement mechanism, so some facilities do not get reimbursed their actual costs.

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