



HOUSE OF REPRESENTATIVES

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Testimony of Rep. Anne Perry Introducing LD 225, “An Act to Expand the Reimbursement to Hospitals for Days Awaiting Placement in Facilities”
February 16, 2023

Good Afternoon Senator Baldacci, Representative Meyer and members of the Committee on Health and Human Services. I am Rep. Anne Perry and I represent the communities of Grand Lake Stream, Indian Township, Baileyville, Baring, Meddybemps, Calais, Robbinston, Perry, Pleasant Point and Eastport. I am here to introduce **LD 225, “An Act to Expand the Reimbursement to Hospitals for Days Awaiting Placement in Facilities”**.

The bill is a unanimous recommendation of the Violence Against Health Care Workers Task Force. The Task Force discussed the issue of patients who need care, typically behavioral health care, but not in a community hospital. When these folks, in particular kids, are brought to the community hospital emergency room, they often get “stuck” there until the proper placement is secured.

The Task Force learned that there is a high correlation between patients who get stuck and acts of violence against hospital workers.

Current law allows hospitals to seek MaineCare reimbursement for some patients who get stuck in the hospital (22 MRSA §3174-AAA). Primarily, the existing law is focused on elderly folks who need placement in a nursing home. LD 225 is focused on the issue of kids in emergency rooms who need other kinds of residential placement.

There are three reasons that I believe justify a “days awaiting placement payment” for hospitals caring for children in emergency rooms:

1. **Managing Violence**. Caring for individuals who commit acts of violence places a heavy toll on emergency rooms. From damaged property, to additional ‘sitters’ who have to watch the violent individuals to compensation for injured workers, these folks present financial challenges above and beyond the normal patients and hospitals should be compensated for those additional costs.
2. **Financial Incentive**. Oftentimes, the patient is stuck and DHHS tries working with residential facilities or families who say they can’t care for the child any longer. The status quo presents a perverse financial incentive – if the child is placed in a

residential facility, DHHS needs to start paying; if the child stays in the hospital, DHHS does not. This perverse financial system should not exist. A daily payment will help eliminate this situation.

3. Basic Fairness. However, even if the patient is not violent and does not carry unusual challenges, the hospital is still providing daily care of food, shelter, medicine and care. The payment in the bill is essentially the residential care rate and the hospital should receive a residential level of compensation at the very minimum.

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I am introducing an amendment to the proposed LD 225.

There are a number of changes in this bill and MHA will walk you through each of them in more detail.

This bill is not the real solution to the problem.

We need to reduce the number of kids who need behavioral health services. We need to provide community interventions that prevent trips to the emergency room. And for kids who need more intense residential services, we need to ensure those services are available.

However, we cannot ignore the reality of today while we work on these other solutions. We have to care for the caregivers doing the work today. And that means we need to provide reimbursement for care provided in hospital emergency rooms.

Thank you for your time and consideration.

An Act to Expand the Reimbursement to Hospitals for Days Awaiting Placement in Facilities

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 22 MRSA §3174-AAA, as enacted by PL 2017, c. 454, §1, is amended to read:

§3174-AAA. Reimbursement for days awaiting placement; reimbursement for hospitals other than critical access hospitals

~~Beginning January 1, 2019, the~~ The department shall provide reimbursement to hospitals other than critical access hospitals for each day ~~after the 10th day~~ that a MaineCare-eligible individual is in the care of a hospital including the hospital emergency department while awaiting placement in a nursing facility or residential care facility. The department shall reimburse hospitals prospectively at the statewide average rate per MaineCare member day for nursing facility services or residential care facility services. The department shall compute the statewide average rate per MaineCare member day based on the simple average of the nursing facility rate or residential care facility rate per MaineCare member day for the applicable state fiscal year or years prorated for the hospital's fiscal year. ~~Reimbursement for days awaiting placement pursuant to this section is limited to a maximum of \$500,000 of combined General Fund funds and federal funds for each year.~~ For purposes of this section, "critical access hospital" has the same meaning as in section 7932, subsection 10.

~~This section is repealed December 31, 2023.~~

SUMMARY

Current law requires the Department of Health and Human Services to provide reimbursement to hospitals other than critical access hospitals for each day after the 10th day that a MaineCare-eligible individual is in the care of a hospital while awaiting placement in a nursing facility. This bill provides that the department also is required to provide reimbursement to hospitals other than critical access hospitals for each day after the 10th day that a MaineCare-eligible individual is in the care of a hospital while awaiting placement in a residential care facility. The bill removes the provision that repeals the current law on December 31, 2023.