

# MaineCare NF Shortfall by MVH Location

**Total NF Shortfall FY18 \$3,603,385**  
**Total NF Shortfall FY20 \$4,149,000**

### MVH – Augusta

- 120 Nursing Facility (NF) beds
- 30 Residential Care beds
- 308 Veterans served in 2018
- 2018 MaineCare NF Shortfall **\$518,000**

**FY20 \$471,000**

### MVH – South Paris

- 62 Nursing Facility (NF) beds
- 28 Residential Care beds
- 165 Veterans served in 2018
- 2018 MaineCare NF Shortfall **\$697,000**

**FY20 \$754,000**

### MVH – Scarborough

- 120 Nursing Facility (NF) beds
- 30 Residential Care beds
- 359 Veterans served in 2018
- 2018 MaineCare NF Shortfall **\$1,073,000\***

**FY20 \$1,388,000**

\*Adjusted



### MVH – Caribou

- 40 Nursing Facility (NF) beds
- 30 Residential Care beds
- 84 Veterans served in 2018
- 2018 MaineCare NF Shortfall **\$485,000**

**FY20 \$914,000**

### MVH – Machias

- 30 Residential Care beds
- 31 Veterans served in 2018
- **2018 Operating Loss \$729,000**

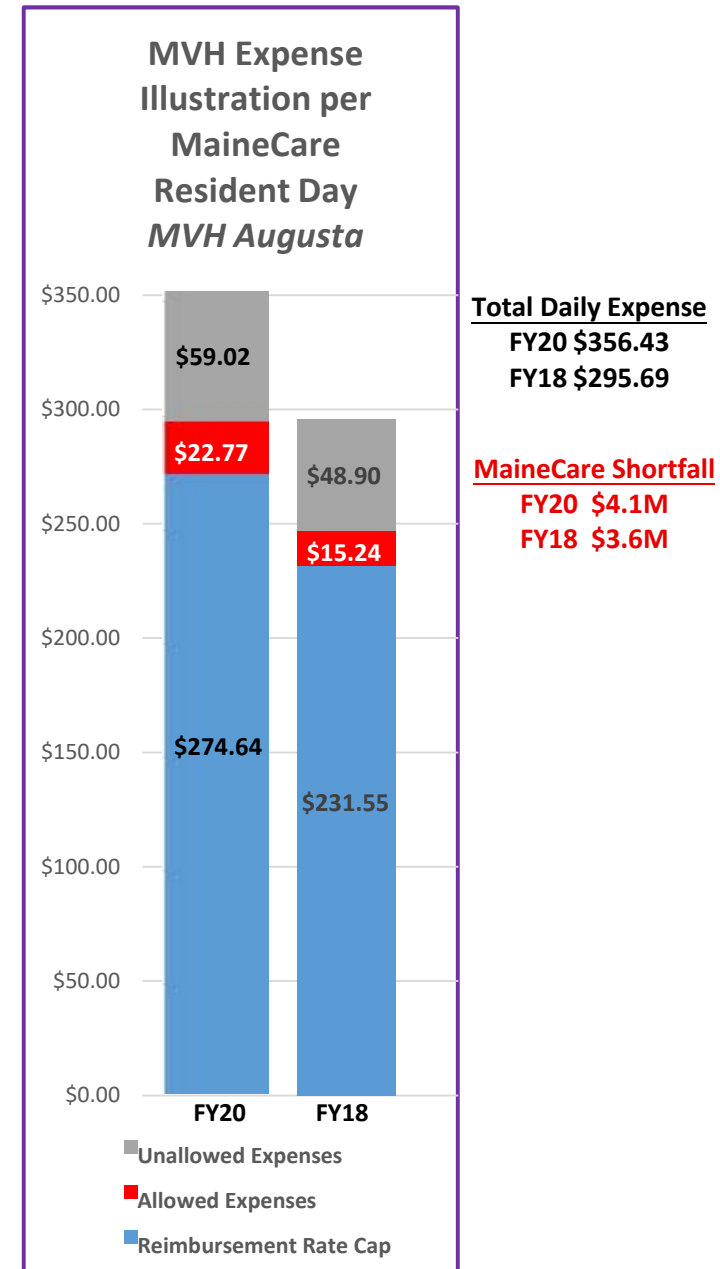
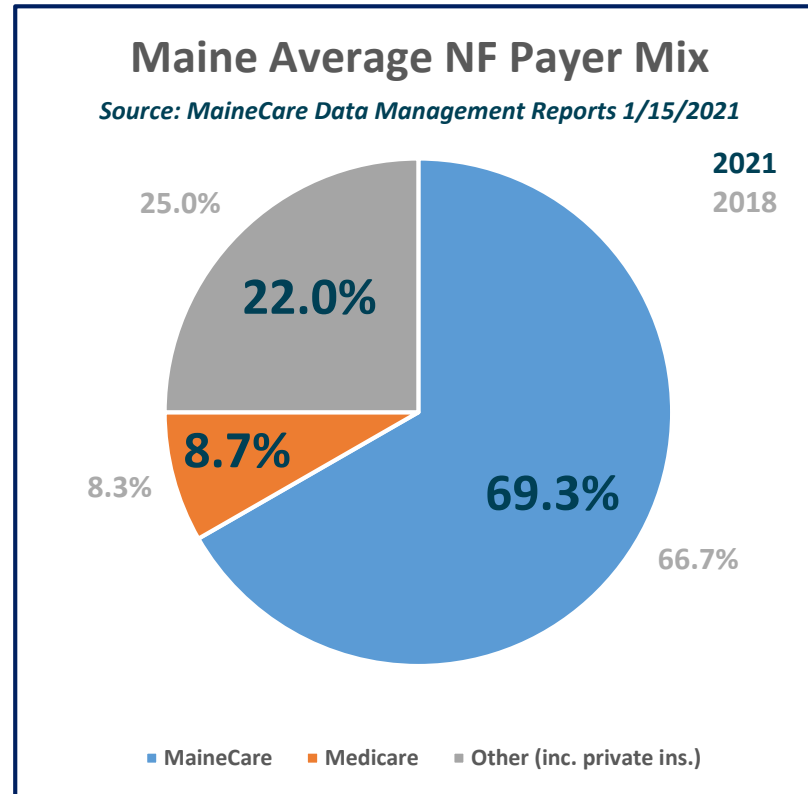
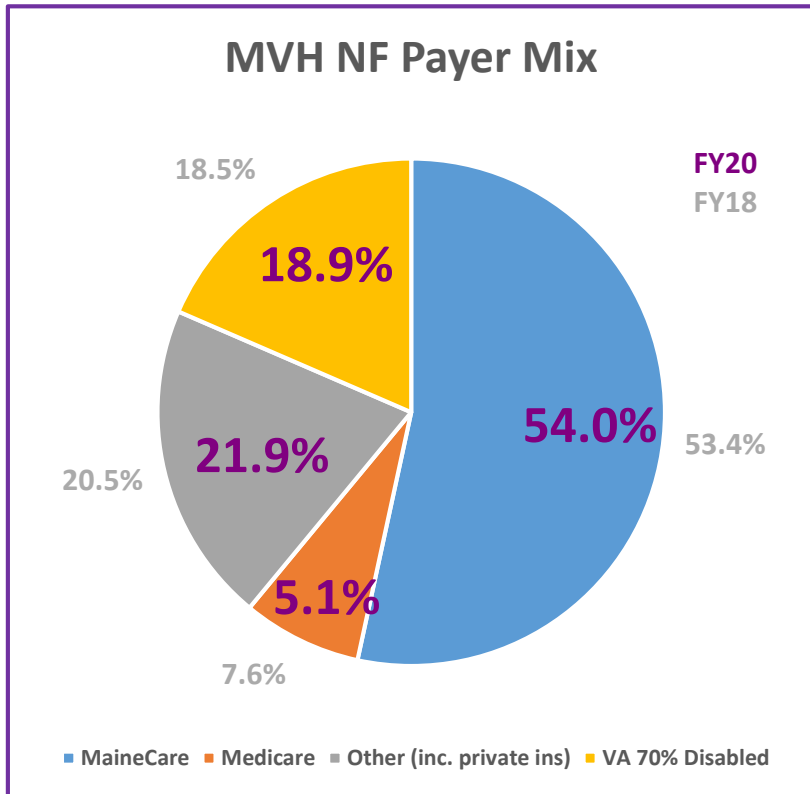
**FY20 \$777,000**

### MVH – Bangor

- 120 Nursing Facility (NF) beds
- 30 Residential Care beds
- 324 Veterans served in 2018
- 2018 MaineCare NF Shortfall **\$830,000**

**FY20 \$622,000**




# MVH Payer Comparison



Residents served

	FY 19			FY 20		
	Vets	Non-Vets	Total	Vets	Non-Vets	Total
Augusta	276	53	329	212	49	261
Bangor	319	74	393	276	70	346
Caribou	80	20	100	68	18	86
Machias	29	7	36	21	6	27
Scarborough	315	20	335	277	15	292
So Paris	129	37	166	105	24	129

## Examples of State Supplemental Funding/Savings For Their State Veterans Homes

Vermont	<p>On October 24, 2016, the Vermont Agency of Human Services (AHS) received approval for the State to expand the Medicaid program under section 1115(a). Special Terms and Conditions (STCs) number 23 states that reimbursement is no longer subject to the upper payment limits specified in 42 CFR 447.362. Basically, the upper payment limit is the maximum that Medicaid could reimburse if the patient were Medicare. On August 24, 2018, VVH received a letter from the Division of Rate Setting stating that our new daily interim rate will be \$475, which is an increase of \$230 from our previous interim rate of \$245.</p>	 Vermont SVH UPL Waiver.pdf   VT Jan 2021 Medicaid Rates.pdf
Idaho	<p>Idaho Legislature passed a law last session to provide full cost based reimbursement for its three State Veterans Homes. Prior to this they were cost based but subject to the same caps as the rest of SNFs. They will transition to the new system at the start of the new fiscal year in July 2021. This leverages 70% federal match, is more predictable, and avoids large settlement requests at the end of the fiscal year.</p>	 Idaho State Plan 2-18-2021.pdf
Oregon	<p>In 2003, the Oregon Legislature enacted legislation to charge assessment fees (provider tax) to health care providers to help fund the cost of the Oregon Health Plan and specifically exempted State Veterans Homes. Last fiscal year, this equated to approximately \$2.6M for their two State Veterans Homes.</p>	<a href="#">OAR 411-069-0030 - Entities Subject to the Long Term Care Facility Assessment (2018) (public.law)</a>

Maine Veterans' Homes  
 COVID-19 Financial Impact Analysis  
 As of January 31, 2021

	FYE 6/30/2020 Total	FY 2021 7/1/2020 - 1/31/2021 Total	Grand Total
<b>Revenue</b>			
Medicare Stimulus Payment	\$1,778,406	\$2,609,782	\$4,388,188
MaineCare Rate Increase Impact	689,343	89,604	778,947
VA Stipend Increase Impact	184,198	125,391	309,590
Donations / Grants	33,290	500,044	533,334
Total Additional Revenue	2,685,238	3,324,821	6,010,059
 <b>Lost Revenue (est.)</b>			
Nursing Facility	(3,386,464)	(4,235,548)	(7,622,012)
Residential Care	(230,743)	(386,178)	(616,921)
Other/Meals	(28,534)	(22,339)	(50,873)
Total Lost Revenue	(3,645,741)	(4,644,064)	(8,289,805)
 <b>Expenses</b>			
Wages	(1,134,657)	(842,857)	(1,977,514)
Benefits/Taxes	(96,009)	(89,808)	(185,817)
Supplies	(812,911)	(1,435,421)	(2,248,332)
Other	(40,318)	(81,731)	(122,049)
Total Additional Expenses	(2,083,894)	(2,449,818)	(4,533,711)
 Total Financial Impact	 <u>(\$3,044,397)</u>	 <u>(\$3,769,061)</u>	 <u>(\$6,813,458)</u>

## **Table of Contents**

**State/Territory Name: Maine**

**State Plan Amendment (SPA) #: 20-0018**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S3-14-28  
Baltimore, Maryland 21244-1850



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**Financial Management Group**

June 24, 2020

Jeanne Lambrew, Commissioner  
Department of Health and Human Services  
221 State Street  
Augusta, Maine 04333-0011

Reference: TN 20-0018

Dear Commissioner Lambrew:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 20-0018. This amendment adds provisions for fiscal years 2020 and 2021 fourth quarter supplemental payments to qualifying nursing facilities that provide comprehensive care to serve veteran's unique needs.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C.

This is to inform you that Medicaid State plan amendment TN 20-0018 is approved effective April 1, 2020. The CMS-179 and the amended plan page(s) are attached.

If you have any additional questions or need further assistance, please contact Novena James-Hailey at (617) 565-1291 or [Novena.JamesHailey@cms.hhs.gov](mailto:Novena.JamesHailey@cms.hhs.gov).

Sincerely,

A solid black rectangular box redacting the signature of Karen Shields.

Karen Shields  
Director

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER  
**20 - 0018**

2. STATE  
**Maine**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
**04/01/2020**

5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION  
**42 CFR 447.205**

7. FEDERAL BUDGET IMPACT

a. FFY **2020** ~~\$1,321,823~~ **\$1,457,524**

b. FFY **2021** ~~\$1,321,823~~ **\$1,319,544**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
**Attachment 4.19-D page 69(a)**

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)  
**NEW**

10. SUBJECT OF AMENDMENT  
Supplemental payment to certain Nursing Facilities

11. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

16. RETURN TO

**Michelle Probert  
Director, MaineCare Services  
#11 State House Station  
109 Capitol Street  
Augusta, Maine 04333-0011**

13. TYPED NAME  
**Michelle Probert**

14. TITLE  
**Director, MaineCare Services**

15. DATE SUBMITTED  
**5/7/2020**

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

18. DATE APPROVED

**6/24/20**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL  
**4/1/20**

20. SIGNATURE OF REGIONAL OFFICIAL

[Redacted Signature]

21. TYPED NAME

**Karen Shields**

22. TITLE

**Acting Director**

23. REMARKS

**Pen and ink change in box 7 per state request on 6/10/2020.**



## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: Maine

Attachment 4.19-D

Page 69(a)

### Nursing Facility Services Detailed Description of Reimbursement

#### **42. Supplemental Payments**

For state fiscal years 2020 and 2021 only, an annual temporary payment adjustment is established to ensure access to nursing facilities that provide comprehensive care to MaineCare veterans to meet their unique needs. In order to receive payment, a nursing facility must meet the following criteria:

1. The facility provides critical access to veteran-focused care, including specialized training and care of war-related injuries and conditions, such as Post Traumatic Stress Disorder (PTSD) and service-connected disabilities;
2. The nursing facility is subject to Department of Veterans Affairs (VA) regulations, oversight, and reporting requirements;
3. The nursing facility board of directors is appointed by the governor; and
4. The nursing facility participates in the Maine Public Employees Retirement System.

**Principle.** A nursing facility that qualifies under this section will be reimbursed annually for services provided to residents covered under Title XIX of the United States Social Security Act based on audited cost reports.

**Rate Setting.** For fiscal years 2020 and 2021, the temporary adjustment will be paid annually within the state fiscal year's fourth quarter and no later than June 30<sup>th</sup> each fiscal year. The payment adjustment will be calculated using the uniform cost reports filed by the facilities in November of each year, using the following methodology:

1. The difference between the MaineCare payments and actual allowed MaineCare costs as reported on the most recent and filed cost reports for all eligible nursing facility services delivered by eligible nursing facilities as defined above;
2. For each year the temporary payment adjustment across all eligible facilities shall not exceed the lesser of \$2,082,177 for 2020 and \$2,071,823 for 2021, or the difference as calculated under Step 1;
3. Each facility's annual payment adjustment shall be proportionate to its overall share of the amount calculated under Step 1 and limited to the aggregate amount across all facilities available under Step 2; and
4. For each facility, if the amount calculated under Step 1 is greater than or equal to zero, the facility is not eligible for the temporary adjustment.

**Audit.** The annual payment is subject to the year-end uniform desk review audit and will be adjusted not to exceed the actual allowable costs of providing services to eligible residents.