

Janet T. Mills
Governor

Jeanne M. Lambrew, Ph.D.
Commissioner



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March 17, 2021

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

Re: LD 614 – *Resolve, To Extend Funding to Maine Veterans' Homes During the COVID-19 Pandemic*

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

While we share the goal of increasing access to services, the Department has concerns about the approach outlined in LD 614 – *Resolve, To Extend Funding to Maine Veterans' Homes During the COVID-19 Pandemic*.

This resolve requires the Department of Health and Human Services to amend its rules governing MaineCare reimbursement in order to provide cost-based reimbursement to Maine Veterans' Homes nursing facilities through June 30, 2023.

This bill is very similar to the 129th Legislature's LD 606, *Resolve, To Require the Department of Health and Human Services To Provide Cost-based Reimbursement to Maine Veterans' Homes*. MaineCare went through considerable effort at that time to determine any unique circumstances faced by Maine Veterans' Homes that would justify any additional payments above and beyond what all other nursing facilities receive. We found none. While that bill died on adjournment, the initiative was carried forward into the biennial budget, resulting in two one-time payments of \$750,000 General Fund and matched with \$1,332,177 in federal dollars. The Department will soon be issuing the second payment.

As a result of the COVID-19 public health emergency, the Department is allowing all nursing facilities to relocate a member with an acquired brain injury (ABI) to quarantine separate from the ABI Unit if the member has, or has been exposed to, COVID-19; allowing nursing facilities to request an additional seven days for bed holds when the member has been admitted to a hospital with a COVID-19 diagnosis; and allowing nursing facilities to relocate and quarantine residential care patients to nursing facility beds and nursing facility patients to residential care beds in response to COVID-19.

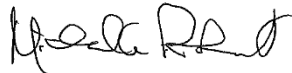
The Department also provided all nursing facilities with temporary rate increases of \$23.58 per member per day of from March 1 – May 31, 2020 and since June 1, 2020 has provided that same

increase to nursing facilities while they are experiencing a COVID outbreak as defined by Maine CDC.

To the Department's knowledge, there is also nothing about the current COVID-19 pandemic that subjects Maine Veterans' Homes to additional costs or difficulties above and beyond what other nursing facilities in the state has faced. The Department, through its Comprehensive Rate System Evaluation, is trying to establish a consistent, rational approach to rates. Having separate payment structures for one set of providers offering the same services as others is an inconsistent and inequitable approach to rate setting and reimbursement. Additionally, in the context of the current financial climate, we do not recommend prioritizing this funding.

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,

A handwritten signature in black ink, appearing to read "Michelle Probert". The signature is written in a cursive, flowing style.

Michelle Probert, Director
Office of MaineCare Services