

OFFICE OF POLICY AND LEGAL ANALYSIS

Date: May 4, 2021
To: Joint Standing Committee on Health & Human Services
From: Erin Dooling, Esq., Legislative Analyst

LD 1470 Resolve, Regarding Reimbursement for Providing Inpatient Care to Individuals with Acute Mental Health Care Needs

SUMMARY: This resolve requires DHHS to:

- Amend its rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 45.03 to provide reimbursement for patients discharged from Southern Maine Health Care's psychiatric inpatient unit in the amount of \$10,166 per distinct discharge.
- Submit the amended rule to CMS in time for the increased rate of reimbursement to apply from January 1, 2021
- Seek and apply for federal funds and funds from any other sources to pay the costs of providing psychiatric services to uninsured patients.
- Submit a report to this Committee regarding the progress the department has made in developing a reimbursement rate in accordance with this legislation. The committee is authorized to report out legislation related to the report to the Second Regular Session of the 130th Legislature.

SIMILAR BILL LAST SESSION:

- [LD 1856 \(129th\)](#) (not emergency legislation)
 - *Majority report:* Identical to LD 1470, except for the timing of submitting the amended rule to CMS (30 days after the effective date of the legislation) and effective date of the new rate (on the effective date of this legislation)
 - *Minority report:* Identical to the majority report, except it established a sunset provision on the new rate as of January 15, 2023

FISCAL IMPACT: Not yet determined

DRAFTING ISSUES / QUESTIONS:

- Is “uninsured patients” in Sec. 2, line 12 sufficiently clear given DHHS’s testimony?
- In order to receive federal matching funds, the new rate can only go back to the beginning of the quarter the Department submits the change to federal CMS. The Department can pay rates retroactive to that but there would be no federal match.

	Effective date of legislation	Estimated timeline for DHHS to submit request	Effective date of reimbursement rate
As drafted, not emergency legislation	90 days after adjournment	October-December 2021	October 1, 2021
Amended to be emergency legislation	Immediately	July-September 2021	July 1, 2021