

Notice of MaineCare Reimbursement Methodology Change

AGENCY: Department of Health and Human Services, Office of MaineCare Services

SERVICES INCLUDED: Chapter 101, MaineCare Benefits Manual, Section 45, Chapter III, Hospital Services

NATURE OF PROPOSED CHANGES: The Department plans to submit a state plan amendment in the near future to amend the following:

- **SUPPLEMENTAL POOL FOR NON CRITICAL ACCESS HOSPITALS, HOSPITALS RECLASSIFIED TO A WAGE AREA OUTSIDE MAINE AND REHABILITATION HOSPITALS:**

The Department plans to increase the total inpatient and outpatient supplemental pool for the privately owned and operated Acute Care Non-Critical Access hospitals, hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board, and rehabilitation hospitals. **Effective November 14, 2019**, the total pool amount will increase to \$80,575,379. Of the \$80,575,379, up to \$42,481,159 will be allocated to inpatient services and up to \$38,094,220 will be allocated to outpatient services. **Effective November 14, 2020** the total pool amount will increase to \$80,914,112. Of the \$80,914,112, up to \$42,819,892 will be allocated to inpatient services and up to \$38,094,220 will be allocated to outpatient services. The allocated inpatient pool amount will be distributed based on each hospital's relative share of inpatient MaineCare payments, defined as the hospital's inpatient MaineCare payment in the applicable state fiscal year divided by inpatient MaineCare payments made to all privately owned and operated Acute Care Non-Critical Access hospitals, hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board, and rehabilitation hospitals, multiplied by the supplemental pool amount. For state fiscal years beginning on or after July 1, 2019 but before July 1, 2021, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2016.

Each hospital in the pool will receive its relative share of this supplemental payment. Supplemental payments will be distributed semiannually in November and May. This pool will be decreased by the amount a hospital would have received if that hospital was in the pool when the total pool amount was set but subsequently became an approved critical access hospital. This supplemental pool payment is not subject to cost settlement.

- **ACUTE CARE CRITICAL ACCESS HOSPITALS AND HOSPITAL RECLASSIFIED TO A WAGE AREA OUTSIDE MAINE BY THE MEDICARE GEOGRAPHIC CLASSIFICATION REVIEW BOARD (MGCRB) PRIOR TO OCTOBER 1, 2008:**

Additionally, effective **November 14, 2019**, the Department plans to increase the total inpatient pool for privately owned and operated critical access hospitals only, not those hospitals reclassified to a wage area outside Maine by the Medicare Geographic Classification Review Board or public hospitals, from \$4,000,000 to \$5,613,061. Effective **November 14, 2020**, the total inpatient pool for privately owned and operated critical access hospitals will increase from \$5,613,061 to \$5,672,482.

REASON FOR PROPOSED CHANGES: All changes are pursuant to Maine P.L. 2019, ch. 343, *An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2019, June 30, 2020 and June 30, 2021.*

ESTIMATE OF ANY EXPECTED INCREASE OR DECREASE IN ANNUAL AGGREGATE EXPENDITURES: The Department anticipates that this change will result in an increase of \$10,808,368 in federal fiscal year 2020: \$6,353,002 will be federal expenditures and \$4,455,366 will be state expenditures. This change will result in an increase of \$11,206,522 in federal fiscal year 2021: \$6,511,780 will be federal expenditures and \$4,694,742 will be state expenditures.

ACCESS TO PROPOSED CHANGES AND COMMENTS TO PROPOSED CHANGES: The public may review the proposed methodology changes and written comments at any Maine DHHS office in every Maine county. To find out where the Maine DHHS offices are located, call 1-800-452-1926. The Department will hold a hearing for the proposed rulemaking and will be publishing a notice which includes information on the hearing date and location.

CONTACT INFORMATION

FOR RECEIPT OF COMMENTS:

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See <http://www.maine.gov/dhhs/oms/rules/index.shtml> for rules and related rulemaking documents.