

Notice of MaineCare Reimbursement Methodology Change

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

AFFECTED SERVICES: Chapter 101, MaineCare Benefits Manual, Section 67, Chapter III, Nursing Facility Services

NATURE OF PROPOSED CHANGES: The Department plans to submit a State Plan Amendment (SPA) for Section 67, Chapter III, Nursing Facility Services related to:

Special Wage Allowance: Effective January 1, 2020 two special supplemental allowances must be made to provide for increases in contract labor and allowable wages and associated benefits and taxes in the direct care and routine care cost component.

The first allocated amount, up to 10% of allowable wages and associated benefits and taxes as reported on each facility's most recent and available as-filed cost report for the fiscal year ending in calendar year 2016, must be added to the cost per resident day in calculating each facility's prospective rate, notwithstanding any otherwise applicable caps or limits on reimbursement. This supplemental allowance must also be allowed and paid at final audit to the full extent that it does not cause reimbursement to exceed the facility's allowable costs in that fiscal year.

This first supplemental allowance must be paid in each state fiscal year until the fiscal year in which a rebasing under the Maine Revised Statutes, Title 22, section 1708, subsection 3, paragraph F is based on 2019 as-filed cost report data and has incorporated the costs of wages and allowable benefits and taxes of a facility.

The second allocated amount, up to 10% of allowable contract labor as reported on each facility's most recent and available as-filed cost report for the fiscal year ending in calendar year 2017, must be added to the cost per resident day in calculating each facility's prospective rate, notwithstanding any otherwise applicable caps or limits on reimbursement. This supplemental allowance must also be allowed and paid at final audit to the full extent that it does not cause reimbursement to exceed the facility's allowable costs in that fiscal year.

This second supplemental allowance must be paid in each state fiscal year until the fiscal year in which a rebasing under the Maine Revised Statutes, Title 22, section 1708, subsection 3, paragraph F is based on 2021 as-filed cost report data and has incorporated the costs of contract labor of a facility.

REASON FOR PROPOSED CHANGES: All changes are pursuant to LD 1758 "An Act To Clarify and Amend MaineCare Reimbursement Provisions for Nursing and Residential Care Facilities" in the first session of the 129th Maine Legislature.

ESTIMATE OF ANY EXPECTED INCREASE OR DECREASE IN ANNUAL AGGREGATE EXPENDITURES: The Department anticipates that this change will result in an increase of \$4,014,206 state and \$7,074,760 federal in State Fiscal Year 2020.

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.