

June 17, 2014

To: Senator Dawn Hill, Chair  
Representative Margaret R. Rotundo, Chair  
Members of the Joint Standing Committee on Appropriations and Financial Affairs

From: Mary C. Mayhew, Commissioner, Department of Health and Human Services

Re: Interim meeting questions from AFA, provided to DHHS on Thursday (after COB), June 12, 2014.

### *Nursing homes*

1. When will additional or enhanced payments begin flowing to nursing facilities?

**Response:** The Department has worked aggressively to expedite the rebasing and other rate adjustments included in PL Chapter 594. Wading through the incredible complexity of Nursing Facility rate adjustments has required significant time and attention from numerous staff in the Rate Setting Unit, the Division of Audit and the Office of MaineCare Services. The Department is awaiting the review of the Attorney General's office for the emergency rule to take effect. We are optimistic this will be completed in time for the emergency rule and increased rate to take effect on July 1, 2014.

2. How many/what facilities are at risk for closure?

**Response:** Facility owners/operators have expressed concern to the Administration of financial challenges and potential closures. Closure of a facility is a business decision and the Department cannot speak to the unique complexities that may surround such a decision. We would defer to the Maine Health Care Association or other representatives from the long term care industry to provide further detail.

3. Are facilities closing for reasons other than financial?

**Response:** A facility could potentially close for a variety of reasons, including financial challenges, business needs, quality concerns and other unique complexities. The Maine Health Care Association or other representatives from the long term care industry may be willing to provide further detail.

4. What are those reasons?

**Response:** As noted in question three, reasons for closure depend on the specific details related to a facilities unique business needs and complexities. The Maine Health Care Association or other representatives from the long term care industry may be able to provide further detail.

#### **Limited positions for inspection of the child care facilities**

5. Of the 13 positions covered in the Financial Order, how many new have been filled?

**Response:** As of May 12, 2014, all 16 positions, including two supervisors and one clerical personnel were retained. All children's licensing personnel, new and existing, engaged in a two-week class room setting comprehensive competency based orientation program from May 19 – May 30. From June 3, 2014, to the present date, new personnel have been paired with experienced personnel for orientation and training in the field.

6. Of the total positions filled for this initiative, how many people were transferred from other programs and how many vacancies were created or held in other programs, including foster care? What is the plan to address short staffing and backlogs created by those vacancies?

**Response:** The 16 positions were posted, and the Department received over 130 applicants for the relevant positions. As noted in question five, all positions have been filled with qualified applicants.

7. Upon the expiration of the temporary positions, how does the department intend to maintain inspections?

**Response:** The Department intends to pursue a budget initiative in the next session to appropriately allocate the 100% Federal grant funding and make the limited period positions permanent.

8. To what degree does the continued short staffing of the Office of the Fire Marshall delay the inspection of child care facilities?

**Response:** Staffing in the State Office of the Fire Marshall has no impact on the timing or ability to conduct licensing inspections of child care facilities. That said, DHHS cannot complete the administrative processing of a license without receipt of the inspection by the Fire Marshall. This is routinely monitored. Currently we are not experiencing a delay.

## *CTS*

9. Recent reports indicate that CTS has received and will continue to receive enhanced payments. Can you detail those current and anticipated payments above the initial contract amount?

**Response:** We do not anticipate payments to CTS to exceed the contract value.

10. How do enhanced payments square with the capitated nature of the contract? Shouldn't the contractor bear the risk for increased costs even if the services provided were satisfactory, which in this case they are clearly not?

**Response:** When the Department made the decision to not renew the contract with CTS the State had an obligation to ensure that the transportation was able to sustain the needed services. That obligation included ensuring that local/community transportation providers continued getting paid and MaineCare members continued to receive critical rides to medical appointments.

## *Riverview*

11. What progress has been made to recertify the hospital? Please give a detailed timeline from our last comprehensive update.

**Response:** Acting Superintendent Jay Harper will be in attendance to provide details on this question.

12. To date, what funds are at risk should the current appeal be finally unsuccessful?

**Response:** The potential funding needs remain in line with those outlined in the list of funding needs provided to the Appropriations Committee in January 2014.

13. The budget provides significant funds to enhance staffing, safety and security at the hospital. What progress is being made in those areas?

**Response:** Acting Superintendent Jay Harper will be in attendance to provide details on this question.

## *MaineCare*

14. Do you expect to have enough funding for the remainder of the cycle payments?

**Response:** MaineCare cycle payments at the end of a fiscal year can be extremely volatile. MaineCare is an entitlement program and has no cap on expenditures, making patterns in provider billing and patient predictability challenging. Despite this volatility, based on current trends, we anticipate we have adequate funding to pay cycle payments.

***Other***

15. Are you applying for the “View Grant Opportunity”  
<http://www.grants.gov/web/grants/view-opportunity.html?oppId=255893>

***Response:*** The Department does not intend to apply for this grant, at this time.

Cc: Kathleen Newman, Deputy Chief of Staff, Governor’s Office  
Holly Lusk, Senior Health Policy Advisor, Governor’s Office  
Carlisle McLean, Chief Legal Counsel, Governor’s Office  
Peter Steele, Director of Communications, Governor’s Office  
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Joint Standing Committee for Health and Human Services