

HOUSE BILL NO. 649

INTRODUCED BY M. CAFERRO, M. WEATHERWAX, C. KEOGH, J. HAMILTON, J. COHENOUR, J. WINDY BOY, D. HAWK, E. KERR-CARPENTER, A. BUCKLEY, M. MARLER, L. BISHOP, D. FERN, K. SULLIVAN, K. KORTUM, T. FRANCE, E. STAFMAN, M. THANE, F. SMITH, S. WEBBER, M. FOX, W. CURDY, C. POPE, J. ELLIS, M. DUNWELL, E. MCCLAFFERTY, J. LYNCH, K. ABBOTT, P. TUSS, D. HARVEY, S. STEWART PEREGOY, J. KARLEN, B. CARTER, Z. ZEPHYR, M. ROMANO, D. BAUM, E. MATTHEWS, S. HOWELL

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING REIMBURSEMENT RATES FOR PROVIDERS COVERED BY THE RATE STUDY AUTHORIZED UNDER CHAPTER 401, LAWS OF 2021; PROVIDING AN APPROPRIATION; REQUIRING IMPLEMENTATION OF RECOMMENDED RATE INCREASES; PROVIDING FOR INFLATIONARY INCREASES; AMENDING SECTIONS 53-6-113 AND 53-6-402, MCA; AND PROVIDING AN A DELAYED EFFECTIVE DATE."

WHEREAS, the 2021 Legislature appropriated \$2.75 million in House Bill 632 for a study of the reimbursement rates paid by the Department of Public Health and Human Services to providers of health care, behavioral health care, developmental disabilities, and senior and long-term care services, including nursing homes; and

WHEREAS, the Governor and the Department of Public Health and Human Services used the appropriation to contract with the consulting firm of Guidehouse; and

WHEREAS, Guidehouse produced two reports in 2022 identifying the rates necessary to cover the costs of providing services and detailing the extent to which the state's rates fall short of the benchmarks; and

WHEREAS, the rate levels identified in the rate study reports specify how the state can improve its provider rates to account for the true costs of operating as a health care provider in this state; and

WHEREAS, the insufficiency of reimbursement rates has resulted in the closure of 11 nursing homes and the loss of 857 skilled nursing facility beds in the state, with more nursing homes on the brink of closure; and

WHEREAS, the insufficiency of reimbursement rates has contributed, and continues to contribute, to extensive and serious shortages of health care and behavioral health care providers; and

