

**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act appropriating funds for provider rate repayments; and providing an effective date."

WHEREAS, the 2009 Legislature appropriated money to pay for a 2% increase in the reimbursement rates paid to Medicaid providers in both fiscal year 2010 and fiscal year 2011; and

WHEREAS, the forecast for state revenues and the state budget in early 2010 triggered a statutory requirement for the governor to reduce state general fund spending; and

WHEREAS, the governor eliminated the provider rate increase scheduled for fiscal year 2011 as part of the reductions made to comply with state law; and

WHEREAS, the reduction in expected reimbursement payments had financial repercussions for individuals and organizations that provide Medicaid services to Montanans in need of medical care, mental health care, foster care, and assistance with activities of daily living; and

WHEREAS, the ending fund balance for the 2013 biennium is expected to be higher than originally predicted.

Be it enacted by the Legislature of the State of Montana:

NEW SECTION. **Section 1. Appropriation.** (1) There is appropriated from the general fund to the Department of Public Health and Human Services \$5,609,332 OR \$6,427,083 as follows:

(a) \$660,757 to the Addictive and Mental Disorders Division;

(b) \$237,144 to the Child and Family Services Division;

(c) \$1,133,820 to the Disability Services Division;

(d) \$1,519,649 OR \$2,337,400 to the Health Resources Division, with \$374,113 of that amount to be allocated to the Children's Mental Health Bureau AND \$817,751 RESERVED FOR THE 6% STATUTORY RATE INCREASE FOR PHYSICIANS;

(e) \$230,358 to the Human and Community Services Division for child care provider increases; and

(f) \$1,827,604 to the senior and long-term care division.

(3) Each division shall divide its appropriation among providers who were participating in the Medicaid program on June 30, 2010. The disbursements to providers must be made according to a formula devised by the department to estimate the amount of general fund money the provider would have received, based on the provider's fiscal year 2010 caseload, if the fiscal year 2011 medicaid provider rate increase had gone into effect.

NEW SECTION. **Section 2. {standard} Effective date.** [This act] is effective on passage and approval.

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{Name : Sue O'Connell
Title : Research Analyst
Agency : Legislative Services Division-111D
Phone : (406) 444-3597