

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 794
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike "Required".

AMENDMENT NO. 2

On page 1, strike in their entirety lines 3 through 12, inclusive, and substitute:

"FOR the purpose of stating the intent of the General Assembly that the Governor provide in the State budget for certain fiscal years additional funds for nursing home services; specifying how nursing homes are allowed to use the additional funds; providing that nursing home expenditures are subject to audit and cost settlement by the Department of Health and Mental Hygiene; requiring the Department to reconvene the Medicaid Nursing Home Reimbursement Study Group; specifying the duties of the Medicaid Nursing Home Reimbursement Study Group; requiring a certain report by a certain date; and generally relating to nursing home services."

On pages 1 through 4, strike in their entirety the lines beginning with line 13 on page 1 down through line 11 on page 4, inclusive, and substitute:

"SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That:

(a) It is the intent of the General Assembly that the Governor provide in the State budget for Fiscal Year 2002 and Fiscal Year 2003 additional funds to increase payments in the Nursing Service Cost Center of the Medicaid nursing home reimbursement formula as follows:

(1) \$10 million in General Funds for Fiscal Year 2002; and

(Over)

(2) \$10 million in General Funds for Fiscal Year 2003.

(b) The funds provided in subsection (a) of this section shall be used to enable nursing homes to address the recommendations of the Task Force on Quality of Care in Nursing Homes to:

(1) Increase hours of direct care to residents;

(2) Increase nursing staff; and

(3) Increase wages, fringe benefits, and other forms of compensation provided to direct care personnel.

(c) The additional funds may not be used to provide an increase in the profit allowed in the Nursing Service Cost Center.

(d) Expenditures by nursing homes shall be subject to audit and cost settlement by the Department of Health and Mental Hygiene.

SECTION 2. AND BE IT FURTHER ENACTED, That the Department of Health and Mental Hygiene shall reconvene the Medicaid Nursing Home Reimbursement Study Group. The Study Group shall:

(a) Review the existing reimbursement formula to ensure it reflects the current and planned requirements of the nursing home program under Medicaid and the care needs of the residents;

(b) Review the proposed funding appropriation for Fiscal Year 2002 and Fiscal Year 2003 and make recommendations for changes to the reimbursement formula to ensure that the intent of Section 1 of this Act is achieved; and

(c) Report its findings to the Senate Finance Committee and the House Environmental Matters Committee, in accordance with § 2-1246 of the State Government Article, on or before December 1, 2000."

On page 4, in line 12, strike "2." and substitute "3.".