

HOUSE BILL NO. 424

INTRODUCED BY SHONTZ, KEMMIS, YARDLEY,
J. JENSEN, MENAHAN, FABREGA, CHRISTIAENS,
MOHAR, BERG, HALLIGAN, NORMAN, BARDANOUVE,
HEMSTAD, R. MANNING, BERTELSEN, MCBRIDE,
VINCENT, THOMAS, LANE, ADDY, DAILY,
DRISCOLL, J. HAMMOND, HARRINGTON,
KOEHNKE, KEENAN, SCHYE, REAM,
PECK, SPAETH, BACHINI

BY REQUEST OF THE GOVERNOR

IN THE HOUSE

January 20, 1983

Introduced and referred to
Committee on Human Services.

On motion by Chief Sponsor
Representatives Addy, Daily,
et al., were added as
sponsors to the bill.

February 17, 1983

Committee recommend bill do
pass as amended. Report
adopted.

Statement of Intent attached.

February 18, 1983

Bill printed and placed on
members' desks.

February 19, 1983

Second reading, do pass as
amended.

February 21, 1983

Correctly engrossed.

February 22, 1983

Third reading, passed.
Transmitted to Senate.

IN THE SENATE

March 1, 1983

Introduced and Referred to
Committee on State
Administration.

March 21, 1983

Committee recommend bill be concurred in. Report adopted. Statement of Intent rejected.

March 23, 1983

Second reading, concurred in. New Statement of Intent attached.

March 25, 1983

Third Reading, concurred in. Ayes, 48; Noes, 1.

IN THE HOUSE

March 25, 1983

Returned to House with Statement of Intent.

March 31, 1983

Second reading, Statement of Intent concurred in.

April 1, 1983

Third reading, Statement of Intent concurred in.

Sent to enrolling.

Reported correctly enrolled.

1 House BILL NO. 424
 2 INTRODUCED BY James J. Jensen
 3 BY REQUEST OF THE GOVERNOR Marshall
 4 McBride Vincent Thomas LANE Christians
 5 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE DEPARTMENT

6 OF SOCIAL AND REHABILITATION SERVICES TO OPERATE A PROGRAM
 7 OF HOME AND COMMUNITY-BASED MEDICAID SERVICES AS AN
 8 ALTERNATIVE TO LONG-TERM INSTITUTIONAL SERVICES; AUTHORIZING
 9 LONG-TERM CARE PLACEMENT EVALUATIONS OF PERSONS SEEKING OR
 10 RECEIVING LONG-TERM CARE SERVICES; REQUIRING NURSING HOME
 11 ADMINISTRATORS TO DISSEMINATE INFORMATION ABOUT HOME AND
 12 COMMUNITY-BASED MEDICAID SERVICES; AMENDING SECTION
 13 37-9-301, MCA; AND PROVIDING AN EFFECTIVE DATE."

15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16 NEW SECTION. Section 1. Definitions. As used in
 17 [sections 1 through 5], the following definitions apply:

18 (1) "Community-based medicaid services" means those
 19 long-term medical, habilitative, rehabilitative, and other
 20 services that are available to medicaid-eligible persons in
 21 a community setting or in a person's home as a substitute
 22 for medicaid services provided in long-term care facilities
 23 and that are allowed under the state medicaid plan in order
 24 to avoid institutionalization.

25 (2) "Department" means the department of social and

1 rehabilitation services as provided for in Title 2, chapter
 2 15, part 22.

3 (3) "Long-term care facilities" means facilities that
 4 are certified by the department of health and environmental
 5 sciences to provide skilled or intermediate nursing care
 6 services, including intermediate nursing care services for
 7 the developmentally disabled.

8 (4) "Long-term care medicaid services" means
 9 community-based medicaid services and those medicaid
 10 services provided in long-term care facilities.

11 (5) "Long-term care placement evaluation" means an
 12 evaluation that results in a determination as to whether a
 13 person requires the level of care provided in long-term care
 14 facilities and whether community-based medicaid services
 15 would be an appropriate substitute for medicaid services
 16 that are available in long-term care facilities.

17 NEW SECTION. Section 2. Department to operate a
 18 program of community-based long-term care medicaid services.
 19 The department may operate, for persons eligible for
 20 medicaid, a program of community-based services as an
 21 alternative to long-term care facility services in
 22 accordance with the provisions of Title XIX of the Social
 23 Security Act, as that title reads on July 1, 1983, and 42
 24 CFR, parts 435 and 441, as those parts read on July 1, 1983.

25 NEW SECTION. Section 3. Long-term care placement

1 evaluations authorized. The department may conduct long-term
 2 care placement evaluations. Long-term care placement
 3 evaluations are required for all medicaid-eligible persons
 4 entering long-term care facilities and community-based
 5 services and for all persons who become eligible for
 6 medicaid after entering long-term care facilities, before
 7 payment for services in such settings are authorized under
 8 medicaid. Evaluations of persons not applying for medical
 9 assistance under [sections 1 through 5] must be on a
 10 voluntary basis.

11 NEW SECTION. Section 4. Nursing home administrators
 12 to disseminate information. Administrators of long-term care
 13 facilities participating in the Montana medicaid program
 14 shall disseminate information relative to the department's
 15 community-based medicaid services program to all prospective
 16 patients and, when appropriate, to their families or
 17 authorized representatives, before admission to such
 18 facilities. The department shall provide the information to
 19 be disseminated. Documentation that such notification has
 20 been provided to and received by patients prior to their
 21 entry into a long-term care facility must be maintained at
 22 the facility for a period of 3 years. The board of nursing
 23 home administrators shall, as provided in 37-9-301, make
 24 compliance with this section a standard of licensure for
 25 nursing home administrators.

1 NEW SECTION. Section 5. Rules. The department may
 2 adopt rules necessary to implement a program of
 3 community-based medicaid services and to establish a system
 4 of long-term care placement evaluations as part of that
 5 program.

6 Section 6. Section 37-9-301, MCA, is amended to read:
 7 "37-9-301. Qualifications for licensure --
 8 examination. (1) The department shall register and issue
 9 licenses to qualified persons as nursing home
 10 administrators, and the board shall establish qualification
 11 criteria for nursing home administrators. No registration or
 12 license shall be issued to a person as a nursing home
 13 administrator unless he:

14 (a) is of good character, of sound physical and mental
 15 health, has received a high school diploma or its
 16 equivalent;

17 (b) has satisfactorily completed a course of
 18 instruction and training prescribed by the board, which
 19 shall be designed and administered to present sufficient
 20 knowledge of the needs properly served by long-term care
 21 facilities, laws governing the operation of long-term care
 22 facilities and the protection of the interests of patients,
 23 and the elements of good nursing home administration, or has
 24 presented evidence satisfactory to the board of sufficient
 25 education, training, or experience in the foregoing fields

1 to administer, supervise, and manage a long-term care
2 facility; and

3 (c) has passed an examination designed to test for
4 competence in the subject matters referred to in subsection
5 (1)(b).

6 (2) The minimum standards for qualification shall
7 comply with the requirements, if any, set forth in Title XIX
8 of the Social Security Act (P.L. 90-248, 1967), as amended
9 that title reads on July 1, 1983, and with the requirement
10 of [section 4]."

11 NEW SECTION. Section 7. Severability. If a part of
12 this act is invalid, all valid parts that are severable from
13 the invalid part remain in effect. If a part of this act is
14 invalid in one or more of its applications, the part remains
15 in effect in all valid applications that are severable from
16 the invalid applications.

17 NEW SECTION. Section 8. Effective date. This act is
18 effective July 1, 1983.

-End-

STATE OF MONTANA

REQUEST NO. 205-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 22, 19 83, there is hereby submitted a Fiscal Note for House Bill 424 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 424 allows the Department of Social and Rehabilitation Services to operate a program of home and community-based medicaid services.

ASSUMPTIONS:

- 1) Assumes costs of the program will be as recommended in the Executive Budget.
- 2) Assumes that of total persons receiving placement evaluations (including voluntary evaluations), 10% are medicaid eligible.

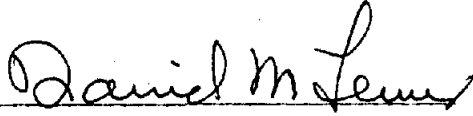
FISCAL IMPACT:

The following expenditure increase is per the budget modification recommended in the Executive Budget.

| <u>Category</u> | <u>FY 84</u> | <u>FY 85</u> | <u>Biennium</u> |
|--------------------|------------------|------------------|------------------|
| Personal Services | \$ 38,217 | \$ 38,130 | \$ 76,347 |
| Operations | 169,318 | 4,553 | 173,871 |
| Benefits & Claims | 170,900 | 185,900 | 356,800 |
| Total Expenditures | <u>\$378,435</u> | <u>\$228,583</u> | <u>\$607,018</u> |
| <u>Funding</u> | | | |
| General Fund | \$496,035 | \$348,088 | \$844,123 |
| Federal Fund* | (117,600) | (119,505) | (237,105) |
| Total | <u>\$378,435</u> | <u>\$228,583</u> | <u>\$607,018</u> |

*Social Workers were paid at 75% general fund but now are going to be paid at 100% general fund.

FISCAL NOTE 8:N/1



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-27-83

STATE OF MONTANA

REQUEST NO. 511-83

FISCAL NOTE

Form BD-15

In compliance with a written request received March 25, 19 83, there is hereby submitted a Fiscal Note for House Bill 424, Amended pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

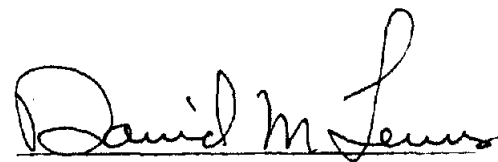
DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 424, amended, allows the Department of Social and Rehabilitation Services to operate a program of home and community-based medicaid services.

COMMENT:

The amendments do not change the original fiscal note. Refer to that for the assumptions and fiscal impact.

FISCAL NOTE 8:N/2



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 3-26-83

Approved by Comm. on Human Services

HOUSE BILL NO. 424

INTRODUCED BY SHONTZ, KEMMIS, YARDLEY,

J. JENSEN, MENAHAN, FABREGA, CHRISTIAENS,

MOHAR, BERG, HALLIGAN, NORMAN, BARDANOUVE,

HEMSTAD, R. MANNING, BERTELSEN, MCBRIDE,

VINCENT, THOMAS, LANE, ADDY, DAILY, DRISCOLL,

J. HAMMOND, HARRINGTON, KOEHNKE, KEENAN,

SCHYE, REAM, PECK, SPAETH,

BACHINI, HALLIGAN

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO OPERATE A PROGRAM OF HOME AND COMMUNITY-BASED MEDICAID SERVICES AS AN ALTERNATIVE TO LONG-TERM INSTITUTIONAL SERVICES; AUTHORIZING LONG-TERM CARE PLACEMENT EVALUATIONS OF PERSONS SEEKING OR RECEIVING LONG-TERM CARE SERVICES; REQUIRING NURSING-HOME ADMINISTRATORS ~~THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES~~ TO DISSEMINATE INFORMATION ABOUT HOME AND COMMUNITY-BASED MEDICAID SERVICES; AMENDING SECTION 37-9-301, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

~~NEW SECTION.~~ Section 1. Definitions. As used in [sections 1 through 5], the following definitions apply:

(1) "Community-based medicaid services" means those long-term medical, habilitative, rehabilitative, and other services that are available to medicaid-eligible persons in a community setting or in a person's home as a substitute for medicaid services provided in long-term care facilities and that are allowed under the state medicaid plan in order to avoid institutionalization.

(2) "Department" means the department of social and rehabilitation services as provided for in Title 2, chapter 15, part 22.

(3) "Long-term care facilities" means facilities that are certified by the department of health and environmental sciences to provide skilled or intermediate nursing care services, including intermediate nursing care services for the developmentally disabled.

(4) "Long-term care medicaid services" means community-based medicaid services and those medicaid services provided in long-term care facilities.

(5) "Long-term care placement evaluation" means an evaluation that results in a determination as to whether a person requires the level of care provided in long-term care facilities and whether community-based medicaid services would be an appropriate substitute for medicaid services that are available in long-term care facilities.

~~NEW SECTION.~~ Section 2. Department to operate a

program of community-based long-term care medicaid services. The department may operate, for persons eligible for medicaid, a program of community-based services as an alternative to long-term care facility services in accordance with the provisions of Title XIX of the Social Security Act, as that title reads on July 1, 1983, and 42 CFR, parts 435 and 441, as those parts read on July 1, 1983.

NEW SECTION. Section 3. Long-term care placement evaluations authorized. The department may conduct long-term care placement evaluations. Long-term care placement evaluations are required for all medicaid-eligible persons entering long-term care facilities and community-based services and for all persons who become eligible for medicaid after entering long-term care facilities, before payment for services in such settings are authorized under medicaid. Evaluations of persons not applying for medical assistance under [sections 1 through 5] must be on a voluntary basis.

NEW SECTION. Section 4. Nursing-home-administrators to-disseminate-information--Administrators-of-long-term care--facilities--participating--in--the--Montana--medicaid program--shall--disseminate--information--relative--to--the department's--community-based--medicaid--services-program-to off-prospective-patients-andy--when--appropriate--to--their families--or-authorized-representatives-before-admission-to

such--factitties--The--department--shall--provide--the information--to--be--disseminated--Documentation-that-such notification-has-been-provided-to-and-received--by--patients prior--to--their-entry-into-a-long-term-care-facility-must-be maintained-at-the-facility-for-a-period--of--3--years--The board--of--nursing-home-administrators-shall,--as-provided-in 37-9-301,--make-compliance-with-this-section--a--standard--of licensure--for-nursing-home-adaministrators. **DISSEMINATION OF INFORMATION. THE DEPARTMENT SHALL ANNUALLY ADVISE MEDICAL SOCIETIES AND CURRENT RESIDENTS OF LONG-TERM CARE FACILITIES OF THE PROGRAM PROVIDED IN [SECTION 2].**

NEW SECTION. Section 5. Rules. The department may adopt rules necessary to implement a program of community-based medicaid services and to establish a system of long-term care placement evaluations as part of that program.

Section 6. Section 37-9-301, MCA, is amended to read:

*37-9-301. Qualifications for licensure -- examination. (1) The department shall register and issue licenses to qualified persons as nursing home administrators, and the board shall establish qualification criteria for nursing home administrators. No registration or license shall be issued to a person as a nursing home administrator unless he:

(a) is of good character, of sound physical and mental

1 health, has received a high school diploma or its
2 equivalent;

3 (b) has satisfactorily completed a course of
4 instruction and training prescribed by the board, which
5 shall be designed and administered to present sufficient
6 knowledge of the needs properly served by long-term care
7 facilities, laws governing the operation of long-term care
8 facilities and the protection of the interests of patients,
9 and the elements of good nursing home administration, or has
10 presented evidence satisfactory to the board of sufficient
11 education, training, or experience in the foregoing fields
12 to administer, supervise, and manage a long-term care
13 facility; and

14 (c) has passed an examination designed to test for
15 competence in the subject matters referred to in subsection
16 (1)(b).

17 (2) The minimum standards for qualification shall
18 comply with the requirements, if any, set forth in Title XIX
19 of the Social Security Act (P.L. 90-248, 1967), as amended
20 ~~that title reads on July 1, 1983, and with the requirement~~
21 ~~of [section 4].~~

22 NEW SECTION. Section 7. Severability. If a part of
23 this act is invalid, all valid parts that are severable from
24 the invalid part remain in effect. If a part of this act is
25 invalid in one or more of its applications, the part remains

1 in effect in all valid applications that are severable from
2 the invalid applications.

3 NEW SECTION. Section 8. Effective date. This act is
4 effective July 1, 1983.

-End-

1 STATEMENT OF INTENT

2 HOUSE BILL 424

3

4 The intent of this bill is to allow the use of federal
5 medicaid funds in supporting services to senior citizens,
6 the handicapped, and the developmentally disabled in the
7 least restrictive and appropriate environments within
8 appropriation limits established by the Legislature. The
9 department shall insure that alternative services be
10 provided at no additional cost to the state.

THIRD READING

HB 424

HOUSE BILL NO. 424

INTRODUCED BY SHONTZ, KEMMIS, YARDLEY,

J. JENSEN, MENAHAN, FABREGA, CHRISTIAENS,

MOHAR, BERG, HALLIGAN, NORMAN, BARDANOUVE,

HEMSTAD, R. MANNING, BERTELSEN, MCBRIDE,

VINCENT, THOMAS, LANE, ADDY, DAILY, DRISCOLL,

J. HAMMOND, HARRINGTON, KOEHNKE, KEENAN,

SCHYE, REAM, PECK, SPAETH,

BACHINI, HALLIGAN

BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO OPERATE A PROGRAM OF HOME AND COMMUNITY-BASED MEDICAID SERVICES AS AN ALTERNATIVE TO LONG-TERM INSTITUTIONAL SERVICES; AUTHORIZING LONG-TERM CARE PLACEMENT EVALUATIONS OF PERSONS SEEKING OR RECEIVING LONG-TERM CARE SERVICES; REQUIRING NURSING-HOME ADMINISTRATORS THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO DISSEMINATE INFORMATION ABOUT HOME AND COMMUNITY-BASED MEDICAID SERVICES; AMENDING----SECTION 37-9-301, MEA, AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Definitions. As used in [sections 1 through 5], the following definitions apply:

(1) "Community-based medicaid services" means those long-term medical, habilitative, rehabilitative, and other services that are available to medicaid-eligible persons in a community setting or in a person's home as a substitute for medicaid services provided in long-term care facilities and that are allowed under the state medicaid plan in order to avoid institutionalization.

(2) "Department" means the department of social and rehabilitation services as provided for in Title 2, chapter 15, part 22.

(3) "Long-term care facilities" means facilities that are certified by the department of health and environmental sciences to provide skilled or intermediate nursing care services, including intermediate nursing care services for the developmentally disabled.

(4) "Long-term care medicaid services" means community-based medicaid services and those medicaid services provided in long-term care facilities.

(5) "Long-term care placement evaluation" means an evaluation that results in a determination as to whether a person requires the level of care provided in long-term care facilities and whether community-based medicaid services would be an appropriate substitute for medicaid services that are available in long-term care facilities.

NEW SECTION. Section 2. Department to operate a

1 program of community-based long-term care medicaid services.
 2 The department may operate, for persons eligible for
 3 medicaid, a program of community-based services as an
 4 alternative to long-term care facility services in
 5 accordance with the provisions of Title XIX of the Social
 6 Security Act, as that title reads on July 1, 1983, and 42
 7 CFR, parts 435 and 441, as those parts read on July 1, 1983.

8 NEW SECTION. Section 3. Long-term care placement
 9 evaluations authorized. The department may conduct long-term
 10 care placement evaluations. Long-term care placement
 11 evaluations are required for all medicaid-eligible persons
 12 entering long-term care facilities and community-based
 13 services and for all persons who become eligible for
 14 medicaid after entering long-term care facilities, before
 15 payment for services in such settings are authorized under
 16 medicaid. Evaluations of persons not applying for medical
 17 assistance under [sections 1 through 5] must be on a
 18 voluntary basis.

19 NEW SECTION. Section 4. Nursing--home--administrators
 20 to--disseminate--information--Administrators--of--long-term
 21 care--facilities--participating--in--the--Montana--medicaid
 22 program--shall--disseminate--information--relative--to--the
 23 department's--community-based--medicaid--services--program--to
 24 all--prospective--patients--and--when--appropriate--to--their
 25 families--or--authorized--representatives--before--admission--to

1 such--facilities--The--department--shall--provide--the
 2 information--to--be--disseminated--Documentation--that--such
 3 notification--has--been--provided--to--and--received--by--patients
 4 prior--to--their--entry--into--a--long-term--care--facility--must--be
 5 maintained--at--the--facility--for--a--period--of--3--years--The
 6 board--of--nursing--home--administrators--shall--as--provided--in
 7 37-9-301, make compliance with this section--a--standard--of
 8 licensure--for--nursing--home--administrators DISSEMINATION OF
 9 INFORMATION. THE DEPARTMENT SHALL ANNUALLY ADVISE MEDICAL
 10 DOCTORS AND CURRENT RESIDENTS OF LONG-TERM CARE FACILITIES
 11 OF THE PROGRAM PROVIDED IN [SECTION 2].

12 NEW SECTION. Section 5. Rules. The department may
 13 adopt rules necessary to implement a program of
 14 community-based medicaid services and to establish a system
 15 of long-term care placement evaluations as part of that
 16 program.

17 Section 6--Section 37-9-301--MCA--is--amended--to--read--
 18 "37-9-301--Qualifications--for--licensure--
 19 examinations--(1) The department shall register--and--issue
 20 licenses--to--qualified--persons--as--nursing--home
 21 administrators--and--the--board--shall--establish--qualification
 22 criteria--for--nursing--home--administrators--No--registration--or
 23 license--shall--be--issued--to--a--person--as--a--nursing--home
 24 administrator--unless--he
 25 (a)--is--of--good--character--of--sound--physical--and--mental

1 healthy--has--received--a--high--school--diploma--or--its
2 equivalent;

3 (b)--has--satisfactorily--completed--a--course--of
4 instruction--and--training--prescribed--by--the--board--which
5 shall--be--designed--and--administered--to--present--sufficient
6 knowledge--of--the--needs--properly--served--by--long-term--care
7 facilities;--laws--governing--the--operation--of--long-term--care
8 facilities--and--the--protection--of--the--interests--of--patients;
9 and--the--elements--of--good--nursing--home--administration;--or--has
10 presented--evidence--satisfactory--to--the--board--of--sufficient
11 education;--training;--or--experience--in--the--foregoing--fields
12 to--administer;--supervise;--and--manage--a--long-term--care
13 facility;--and

14 (c)--has--passed--an--examination--designed--to--test--for
15 competence--in--the--subject--matters--referred--to--in--subsection
16 (1)(b);

17 (2)--The--minimum--standards--for--qualification--shall
18 comply--with--the--requirements;--if--any;--set--forth--in--Title--XIX
19 of--the--Social--Security--Act--(P.L. 90-248; 1967);--as--amended
20 that--title--reads--as--duly--in--1983;--and--with--the--requirement
21 of--[section--4]v"

22 **NEW SECTION.** Section 6. Severability. If a part of
23 this act is invalid, all valid parts that are severable from
24 the invalid part remain in effect. If a part of this act is
25 invalid in one or more of its applications, the part remains

1 in effect in all valid applications that are severable from
2 the invalid applications.

3 **NEW SECTION.** Section 7. Effective date. This act is
4 effective July 1, 1983.

-End-

March 21, 1983

SENATE STANDING COMMITTEE REPORT
(State Administration)

That House Bill No. 424 be amended as follows:

1. Strike: Statement of Intent in its entirety.

March 23, 1983

SENATE COMMITTEE OF THE WHOLE AMENDMENT

That the following Statement of Intent be added to House Bill No. 424

STATEMENT OF INTENT

HOUSE BILL 424

Section 1. The intent of this bill is to allow the department of social and rehabilitation services to use federal medicaid funds in supporting services to senior citizens, the handicapped, and the developmentally disabled in the least restrictive and appropriate environments within appropriation limits established by the legislature and consistent with the provisions of The Omnibus Budget Reconciliation Act of 1981. In granting this authority, the legislature intends that:

(1) the recipient make the decision to be placed in the alternative setting;

(2) consistent with patient choice and resources, emphasis will be placed on the patient's own home as an alternative setting to institutional placement;

(3) the physical well-being and safety of the recipients of the program will be provided for in that all facilities utilized for the delivery of services or as residential setting, not including a recipient's own residence, will have to meet adequate health, fire, and life safety requirements before it can be licensed by the department or other licensing authority. The department shall insure that no requirements are adopted which are more onerous than necessary.

(4) The home and community-based services will be provided at no additional cost to the state.

Section 2. Section 5 of the bill provides the department with explicit rulemaking authority for the purposes of implementing a program of community-based medicaid services and establishing a system of long-term care placement evaluation as part of that program. These rules may address the following areas: the amount, scope, and duration of services provided, standards of quality for services provided, reimbursement methodology for services provided, the appropriate residential settings to be utilized, eligibility of individuals for the program, screening of individuals for appropriateness of services and placement, organization and functions of case management teams, assurances of patient choice, patient rights, and due process for program recipients, and any other purposes as may be required for the implementation of this program.

STATEMENT OF INTENT

HOUSE BILL 424

The intent of this bill is to allow the use of federal medicaid funds in supporting services to senior citizens, the handicapped, and the developmentally disabled in the least restrictive and appropriate environments within appropriation limits established by the legislature. The department shall insure that alternative services be provided at no additional cost to the state.

SECTION 1. THE INTENT OF THIS BILL IS TO ALLOW THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO USE FEDERAL MEDICAID FUNDS IN SUPPORTING SERVICES TO SENIOR CITIZENS, THE HANDICAPPED, AND THE DEVELOPMENTALLY DISABLED IN THE LEAST RESTRICTIVE AND APPROPRIATE ENVIRONMENTS WITHIN APPROPRIATION LIMITS ESTABLISHED BY THE LEGISLATURE AND CONSISTENT WITH THE PROVISIONS OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1981. IN GRANTING THIS AUTHORITY, THE LEGISLATURE INTENDS THAT:

(1) THE RECIPIENT MAKE THE DECISION TO BE PLACED IN THE ALTERNATIVE SETTING;

(2) CONSISTENT WITH PATIENT CHOICE AND RESOURCES, EMPHASIS WILL BE PLACED ON THE PATIENT'S OWN HOME AS AN ALTERNATIVE SETTING TO INSTITUTIONAL PLACEMENT;

(3) THE PHYSICAL WELL-BEING AND SAFETY OF THE

RECIPIENTS OF THE PROGRAM WILL BE PROVIDED FOR IN THAT ALL FACILITIES UTILIZED FOR THE DELIVERY OF SERVICES OR AS RESIDENTIAL SETTING, NOT INCLUDING A RECIPIENT'S OWN RESIDENCE, WILL HAVE TO MEET ADEQUATE HEALTH, FIRE, AND LIFE SAFETY REQUIREMENTS BEFORE THEY CAN BE LICENSED BY THE DEPARTMENT OR OTHER LICENSING AUTHORITY. THE DEPARTMENT SHALL INSURE THAT NO REQUIREMENTS ARE ADOPTED WHICH ARE MORE ONEROUS THAN NECESSARY.

(4) THE HOME AND COMMUNITY-BASED SERVICES WILL BE PROVIDED AT NO ADDITIONAL COST TO THE STATE.

SECTION 2. SECTION 5 OF THE BILL PROVIDES THE DEPARTMENT WITH EXPLICIT RULEMAKING AUTHORITY FOR THE PURPOSES OF IMPLEMENTING A PROGRAM OF COMMUNITY-BASED MEDICAID SERVICES AND ESTABLISHING A SYSTEM OF LONG-TERM CARE PLACEMENT EVALUATION AS PART OF THAT PROGRAM. THESE RULES MAY ADDRESS THE FOLLOWING AREAS: THE AMOUNT, SCOPE, AND DURATION OF SERVICES PROVIDED; STANDARDS OF QUALITY FOR SERVICES PROVIDED; REIMBURSEMENT METHODOLOGY FOR SERVICES PROVIDED; THE APPROPRIATE RESIDENTIAL SETTINGS TO BE UTILIZED; ELIGIBILITY OF INDIVIDUALS FOR THE PROGRAM; SCREENING OF INDIVIDUALS FOR APPROPRIATENESS OF SERVICES AND PLACEMENT; ORGANIZATION AND FUNCTIONS OF CASE MANAGEMENT TEAMS; ASSURANCES OF PATIENT CHOICE, PATIENT RIGHTS, AND DUE PROCESS FOR PROGRAM RECIPIENTS; AND ANY OTHER PURPOSES AS MAY BE REQUIRED FOR THE IMPLEMENTATION OF THIS PROGRAM.

17 B 424

HOUSE BILL NO. 424

INTRODUCED BY SHONTZ, KEMMIS, YARDLEY,
J. JENSEN, MENAHAN, FABREGA, CHRISTIAENS,
MOHAR, BERG, HALLIGAN, NORMAN, BARDANOUVE,
HEMSTAD, R. MANNING, BERTELSEN, MCBRIDE,
VINCENT, THOMAS, LANE, ADDY, DAILY,
DRISCOLL, J. HAMMOND, HARRINGTON,
KOEHNKE, KEENAN, SCHYE, REAM,
PECK, SPAETH, BACHINI
BY REQUEST OF THE GOVERNOR

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE DEPARTMENT
OF SOCIAL AND REHABILITATION SERVICES TO OPERATE A PROGRAM
OF HOME AND COMMUNITY-BASED MEDICAID SERVICES AS AN
ALTERNATIVE TO LONG-TERM INSTITUTIONAL SERVICES; AUTHORIZING
LONG-TERM CARE PLACEMENT EVALUATIONS OF PERSONS SEEKING OR
RECEIVING LONG-TERM CARE SERVICES; REQUIRING NURSING-HOME
ADMINISTRATORS THE DEPARTMENT OF SOCIAL AND REHABILITATION
SERVICES TO DISSEMINATE INFORMATION ABOUT HOME AND
COMMUNITY-BASED MEDICAID SERVICES; AMENDING----SECTION
37-9-2017-MEAT AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Definitions. As used in
[sections 1 through 5], the following definitions apply:

(1) "Community-based medicaid services" means those
long-term medical, habilitative, rehabilitative, and other
services that are available to medicaid-eligible persons in
a community setting or in a person's home as a substitute
for medicaid services provided in long-term care facilities
and that are allowed under the state medicaid plan in order
to avoid institutionalization.

(2) "Department" means the department of social and
rehabilitation services as provided for in Title 2, chapter
15, part 22.

(3) "Long-term care facilities" means facilities that
are certified by the department of health and environmental
sciences to provide skilled or intermediate nursing care
services, including intermediate nursing care services for
the developmentally disabled.

(4) "Long-term care medicaid services" means
community-based medicaid services and those medicaid
services provided in long-term care facilities.

(5) "Long-term care placement evaluation" means an
evaluation that results in a determination as to whether a
person requires the level of care provided in long-term care
facilities and whether community-based medicaid services
would be an appropriate substitute for medicaid services
that are available in long-term care facilities.

NEW SECTION. Section 2. Department to operate a

1 program of community-based long-term care medicaid services.
 2 The department may operate, for persons eligible for
 3 medicaid, a program of community-based services as an
 4 alternative to long-term care facility services in
 5 accordance with the provisions of Title XIX of the Social
 6 Security Act, as that title reads on July 1, 1983, and 42
 7 CFR, parts 435 and 441, as those parts read on July 1, 1983.

8 NEW SECTION. Section 3. Long-term care placement
 9 evaluations authorized. The department may conduct long-term
 10 care placement evaluations. Long-term care placement
 11 evaluations are required for all medicaid-eligible persons
 12 entering long-term care facilities and community-based
 13 services and for all persons who become eligible for
 14 medicaid after entering long-term care facilities, before
 15 payment for services in such settings are authorized under
 16 medicaid. Evaluations of persons not applying for medical
 17 assistance under [sections 1 through 5] must be on a
 18 voluntary basis.

19 NEW SECTION. Section 4. Nursing-home-administrators
 20 to-disseminate-information-Administrators-of-long-term
 21 care-facilities-participating-in-the-Montana-medicaid
 22 program-shall-disseminate-information-relative-to-the
 23 department's-community-based-medicaid-services-program-to
 24 all-prospective-patients-only-when-appropriate-to-their
 25 families-or-authorized-representatives-before-admission-to

1 such-facilities-the-department-shall-provide-the
 2 information-to-be-disseminated-documentation-that-such
 3 notification-has-been-provided-to-and-received-by-patients
 4 prior-to-their-entry-into-a-long-term-care-facility-must-be
 5 maintained-at-the-facility-for-a-period-of-3-years-the
 6 board-of-nursing-home-administrators-shall-as-provided-in
 7 37-9-301-make-compliance-with-this-section-a-standard-of
 8 licensure-for-nursing-home-administrators DISSEMINATION OF
 9 INFORMATION. THE DEPARTMENT SHALL ANNUALLY ADVISE MEDICAL
 10 DOCTORS AND CURRENT RESIDENTS OF LONG-TERM CARE FACILITIES
 11 OF THE PROGRAM PROVIDED IN [SECTION 2].

12 NEW SECTION. Section 5. Rules. The department may
 13 adopt rules necessary to implement a program of
 14 community-based medicaid services and to establish a system
 15 of long-term care placement evaluations as part of that
 16 program.

17 Section-6--Section-37-9-301-MCA-is-amended-to-read:

18 "37-9-301-Qualifications-for-licensure-
 19 examination-(1)-The-department-shall-register-and-issue
 20 licenses-to-qualified-persons-as-nursing-home
 21 administrators-and-the-board-shall-establish-qualification
 22 criteria-for-nursing-home-administrators-No-registration-or
 23 license-shall-be-issued-to-a-person-as-a-nursing-home
 24 administrator-unless-he

25 (a)-is-of-good-character-of-sound-physical-and-mental

1 health--has--received--a--high--school--diploma--or--its
2 equivalent;

3 (b)--has--satisfactorily--completed--a--course--of
4 instruction--and--training--prescribed--by--the--board--which
5 shall--be--designed--and--administered--to--present--sufficient
6 knowledge--of--the--needs--properly--served--by--long-term--care
7 facilities--laws--governing--the--operation--of--long-term--care
8 facilities--and--the--protection--of--the--interests--of--patients,
9 and--the--elements--of--good--nursing-home--administration--or--has
10 presented--evidence--satisfactory--to--the--board--of--sufficient
11 education--training--or--experience--in--the--foregoing--fields
12 to--administer--supervise--and--manage--a--long-term--care
13 facility; and

14 (c)--has--passed--an--examination--designed--to--test--for
15 competence--in--the--subject-matters--referred--to--in--subsection
16 (1)(b);

17 (2)--The--minimum--standards--for--qualification--shall
18 comply--with--the--requirements--if--any--set--forth--in--Title--XIX
19 of--the--Social--Security--Act--(P.L.S--98-248--1967)--as--amended
20 that--title--reads--on--July--1--1967--and--with--the--requirements
21 of--[section--4]--"

22 NEW_SECTION. Section 6. Severability. If a part of
23 this act is invalid, all valid parts that are severable from
24 the invalid part remain in effect. If a part of this act is
25 invalid in one or more of its applications, the part remains

1 in effect in all valid applications that are severable from
2 the invalid applications.

3 NEW_SECTION. Section 7. Effective date. This act is
4 effective July 1, 1983.

-End-