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2 INTRODUCED BY

House BILL NO. *301*
Wynn Carey Simpson

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A MINIMUM STAFF-TO-PATIENT RATIO FOR
5 CERTAIN RESIDENTS OF A LONG-TERM CARE FACILITY EQUAL TO THE RATIO REQUIRED FOR
6 CHILD-CARE FACILITIES CARING FOR NEWBORN INFANTS; AND PROVIDING AN APPLICABILITY DATE."
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8 STATEMENT OF INTENT

9 A statement of intent is required for this bill because [section 1] requires the department of public
10 health and human services to adopt rules to implement [section 1].

11 It is the intent of the legislature that the department of public health and human services adopt rules
12 specifying the minimum requirements for education, training, and type of professional or occupational
13 licensure, if any, that staff members of a long-term care facility referred to in [section 1] are required to
14 satisfy and the times when those staff members must be present for duty in a facility.
15

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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18 **NEW SECTION. Section 1. Long-term care facility -- minimum staffing ratio -- licensing -- rules**
19 **required.** (1) A long-term care facility shall provide a minimum staff-to-patient ratio with regard to a
20 resident of the facility whose needs for care are assessed by the facility to be equal to the needs for care
21 of a newborn infant. The assessment may be pursuant to either the minimum data set or the patient
22 assessment in the subject areas of activities of daily living, behavioral status, and continence or the
23 equivalent of those subject areas. The minimum staff-to-patient ratio must be equal to the staff-to-patient
24 ratio adopted by department rule pursuant to 52-2-731 for child-care facilities providing care to infants age
25 0 to 24 months old.

26 (2) The department shall apply the requirements of subsection (1) as one of the minimum standards
27 for the issuance or renewal of a license to a long-term care facility pursuant to 50-5-204.

28 (3) The department shall adopt rules to implement this section.
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30 **NEW SECTION. Section 2. Codification instruction.** [Section 1] is intended to be codified as an

1 integral part of Title 50, chapter 5, part 2, and the provisions of Title 50, chapter 5, part 2, apply to
2 [section 1].

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4 **NEW SECTION. Section 3. Applicability.** [Section 1] applies to licenses for long-term care facilities
5 issued or renewed by the department of public health and human services pursuant to 50-5-204 after
6 October 1, 1997.

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-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for HB0301, as introduced


DESCRIPTION OF PROPOSED LEGISLATION:


An act requiring a minimum staff-to-patient ratio for certain residents of a long-term care facility, equal to the ratio required for child-care facilities caring for newborn infants.

ASSUMPTIONS:

1. Section 1 of the bill provides that the minimum staff-to-patient ratio must be equal to the staff ratio for child-care facilities providing care to infants age 0 to 24 months. Section 11.14.516 of the Administrative Rules of Montana (ARM) sets this staff ratio as one care giver for each four infants.
2. Long-term care differs from child care since long-term care is generally 24-hour care. For purposes of this fiscal note, assume that the 4:1 staffing ratio is required 24-hours per day for patients. (Please see technical note 1)
3. The anticipated number of patients at state institutions who will require the level of care specified under this bill are as follows: 1) Montana State Hospital (MSH), 32; 2) Montana Mental Health Nursing Care Center (MMHNCC), 141; 3) Eastmont Human Services Center (Eastmont), 35; and 4) Montana Developmental Center (MDC), 54, for a total of 262. This number is not anticipated to fluctuate over the biennium.
4. The anticipated number of additional FTE required to meet the staffing ratio requirements for these patients is calculated by taking the number of shifts needing coverage times the relief factor used to develop an FTE level for 24-hour, 7-day-per-week care (this relief factor is 1.6), and subtracting the current staffing level. This yields a net increase in FTE needed to meet the required staffing ratio. The additional personnel required at each institution are: 1) MSH, 16.70 FTE; 2) MMHNCC, 115.60 FTE; 3) Eastmont, 16.40 FTE; and 4) MDC, 14.40 FTE, for a total of 163.10 FTE more each year of the biennium.
5. At the institutions, entry level grade 8 residential care aides will be required to meet the staffing requirements. Personal services costs are calculated at an entry level salary of \$7.31 per hour plus 17% for benefits and insurance. This is an annual per FTE cost of \$17,793.
6. Each FTE is anticipated to need \$500 worth of operating costs for supplies, meals, laundry, etc. at MSH and \$760 at MMHNCC. The total operating costs for these two facilities will be \$70,492 each year of the biennium.
7. It is assumed that this legislation will require an increase in the current staffing ratio of non-state owned long-term care facilities. Under the long-term care portion of the Medicaid program, these increased provider costs will result in higher Medicaid long-term care rates. The state will be required to pay these costs, assuming that the Boren Amendment is still in force.
8. Currently, the Medicaid nursing home program costs \$96 million annually.
9. Assume the legislation will require the addition of 1 certified nursing aide (CNA) for each shift at each nursing facility (not including the state institutions already discussed above). (Please see technical notes 2 and 3) The average cost per CNA is \$8.38 per hour. ($\$8.38 * 8 \text{ hours} * 3 \text{ shifts per day} * 365 \text{ days} * 98 \text{ nursing facilities} = \$7,194,062.$)
10. Medicaid utilization of all nursing home beds statewide is 62%. Therefore, 62% of the costs will be borne by Medicaid, which is equal to \$4,460,319 each year of the biennium.
11. The Medicaid matching ratio for cost sharing with the federal government is 29.83% general fund and 70.17% federal funds in FY 98 and 28.88% general fund and 71.12% federal funds in FY 99.

(Continued)


DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning


WILLIAM RYAN, PRIMARY SPONSOR DATE

Fiscal Note for HB0301, as introduced

HB 301

(continued)

12. With the advent of the mental health managed care program, funding for the MSH is 25% general fund and 75% state special revenue; the MMHNCC funding is 8% general fund and 92% state special revenue.

FISCAL IMPACT:

<u>Expenditures:</u>	<u>FY98</u> <u>Difference</u>	<u>FY99</u> <u>Difference</u>
FTE	163.10	163.10
Personal Services	2,902,097	2,902,097
Operating	70,492	70,492
Benefits	<u>4,460,319</u>	<u>4,460,319</u>
Total	7,432,908	7,432,908
General Fund (01)	2,125,186	2,082,813
State Special (02)	2,177,916	2,177,916
Federal Fund (03)	<u>3,129,806</u>	<u>3,172,179</u>
Total	7,432,908	7,432,908

Net Impact on Fund Balance: (Revenues minus expenditures)

General Fund (01)	(2,125,186)	(2,082,813)
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LONG-RANGE EFFECTS OF PROPOSED LEGISLATION: This legislation would increase the all-inclusive bed-day rate charged to the mental health managed care organization for MSH and MMHNCC services.

TECHNICAL NOTES:

1. Long-term care facility is not defined. Reference could be made to 50-5-101 if the intent of the bill is to include skilled nursing care, residential care, intermediate nursing care or intermediate developmental disability care and personal care facilities.
2. The bill does not provide a definition of the qualifications of the staff that are being required.
3. The legislation does not address whether the required staffing ratio is applied to an average staffing ratio per day or for every hour that the facility provides care.