

MaineHealth

CARE AT HOME

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MaineHealth Care at Home

Joint Standing Committee on Health and Human Services
In Support of LD 482
“Resolve, To Support Home Health Services”

Senator Brakey, Representative Hymanson, and distinguished members of the Joint Standing Committee on Health and Human Services, I am Donna Deblois, president and CEO of MaineHealth Care at Home providing testimony in support of LD 842, “Resolve, To Support Home Health Services.” The Resolve directs the Department of Health and Human Services to increase the rates for home health services under the MaineCare Benefits Manual, Chapter II, Section 40 by 30%.

MaineHealth Care at Home is one of the largest providers of home care services in Maine. We have over 1600 patients, 8 regional offices and nearly 440 employed caregivers throughout the state. MaineHealth Care at Home provides home care services to a variety of different populations including children, medically complex, and permanently disabled. These patients often require extended or continuous care with treatments such as wound care, IV therapy, and rehabilitative services. MaineHealth Care at Home’s caregivers enables these patients to receive care in their homes in a way that is more comfortable and cost effective than treatment through a long-term hospitalization or skilled rehabilitation center.

I am before you today to ask for your support for the Section 40 home health rate increase embodied in LD 842. When adjusted for inflation, our providers make about 50% less today than they did approximately two decades ago when we had our last rate increase. LD 482 provides for a modest 30% increase in MaineCare reimbursement to help ensure we can continue providing this critical service.

I want to take a moment to describe what services are provided under **Section 40** of the MaineCare program. It is MaineCare coverage for clinical care (nursing, physical therapy, home health aides, etc...) mostly for people recently discharged from hospital. Section 40 differs from the following home health services also up for rate increase discussion the Session.

Section 19: Home and Community Benefits for the Elderly and for Adults with Disabilities (HCB) which generally covers in home nursing facility services in an attempt to avoid or delay institutional nursing facility placement. For example, adult day health, care coordination, homemaker services, respite care, financial management, and some home health care services, among others.

Section 63: In-home and Community Support Services for elderly and other adults.

Section 96: Private duty nursing (PDN) and personal care services (PCS) are eligible for children and adults under a plan of care developed by a physician. “Community based long-term care services.”

The bill is nearly identical to LD 1129 sponsored by Senator Libby during the 127th Legislature—one of three home health related bills. LD 1129 did become law but the original language was removed and an amendment added instead directing the Department of Health and Human Services to amend the licensing rules of home health care services to allow nursing services to be provided by new graduates to immediately be allowed to start working in home health after successfully completed a home health care orientation program rather than being forced to wait after completing at least one year of professional nursing experience before providing home health services.

The Legislature did include reimbursement rate increases for the aforementioned home health Sections 19, 63, and 96 as part of Resolve 2016, Chapter 83 by 50% in response to rates modeled in the February 1, 2016 report "Rate Review for Personal Care and Related Services: Final Rate Models" prepared for the Department of Health and Human Services by Burns & Associates, Inc. Also contained in the Resolve was a directive to conduct a rate study to review provider payment rates for services reimbursed under Section 40 of the MaineCare program. We have been actively engaged with the Department during the current rate study process and we look forward to the results, especially encouraged by the Department’s self-identified three core rate review principles:

- Transparency in terms of documenting data sources and methodologies,
- Granularity in rate models that are based on a line-by-line breakdown of cost components for each reviewed service, and
- Provider engagement with multiple opportunities to participate and influence the process.

Home health care is a critical component of a comprehensive and integrated health care delivery system, and one that will become more critical as Maine’s health systems, such as MaineHealth, seek to ensure that patients are served in the most efficient and effective settings to meet their needs. Given appropriate resources, home health care has proven to be a cost effective and a vital element of effective provider systems. Maine’s failure to provide even minimal updates to mitigate the impact of inflation over the last two decades has jeopardized our ability to serve all patients in need, including those without the ability to pay.

Current federal Medicaid law requires states to set home care agency payment rates at levels that “are sufficient to enlist enough providers so that care and services are available at least to the extent that such care and services are available to the general population in a geographic area.” Access is the test of adequacy of rates. Inadequate rates force patients into institutional settings. The Medicaid program could realize substantial cost savings by instead focusing on providing adequate reimbursement rates to strengthen a system that would instead allow more integrated and cost-effective care to be provided to people where they would most prefer—in their homes.

It is also widely accepted that the use of technology results in more efficient and effective delivery of home health services while maintaining quality care and patient satisfaction. Given the current workforce shortages, reimbursement for use of tele-homecare would also be smart policy to consider.

Increasing reimbursement rates and reviewing opportunities to improve access to clinical home health care services by various means would take a very important step towards ensuring that Maine's vulnerable MaineCare patients continue to have access to high quality, cost effective home health care services throughout Maine. Thank for allowing me to comment on LD 482 and I urge the Committee to vote Ought to Pass. I will be happy to answer any questions today or before the work session.

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND AND SIXTEEN

H.P. 605 - L.D. 886

**Resolve, Directing the Department of Health and Human Services To
Increase Reimbursement Rates for Home-based and Community-based
Services**

Sec. 1. Reimbursement for personal care and related services. Resolved: That the Department of Health and Human Services shall amend its rules for reimbursement rates for personal care and related services provided under Chapter 101: MaineCare Benefits Manual, Sections 12, 19 and 96 and Chapter 5, Office of Elder Services Policy Manual, Section 63 to reflect 50% of the increase in rates noted in the final rates modeled in the February 1, 2016 report "Rate Review for Personal Care and Related Services: Final Rate Models" prepared for the department by Burns & Associates, Inc. Rules adopted pursuant to this section are routine technical rules pursuant to the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A; and be it further

Sec. 2. Unstaffed hours and waiting lists. Resolved: That the Department of Health and Human Services shall estimate the number of hours, and the cost of those hours, of unmet need under Chapter 101: MaineCare Benefits Manual, Sections 12, 19, 40 and 96 and Chapter 5, Office of Elder Services Policy Manual, Section 63. The estimate must include individuals eligible for services but on a waiting list and individuals who are entitled to services that are eligible for reimbursement but are unable to locate individuals or agencies to provide those services; and be it further

Sec. 3. Rate study. Resolved: That the Department of Health and Human Services shall conduct a rate study of the services in rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 40, Home Health Services. The rate study must be conducted by a 3rd party, account for provider costs related to the services in Section 40 and include stakeholders for all services included in Section 40; and be it further

Sec. 4. Report. Resolved: That the Department of Health and Human Services shall provide a report to the joint standing committee of the Legislature having jurisdiction over health and human services matters with findings and recommendations for changes to the rates identified in section 4 no later than January 1, 2017; and be it further

Sec. 5. Appropriations and allocations. Resolved: That the following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)

Medical Care - Payments to Providers 0147

Initiative: Provides funds for a rate increase for personal care and related services.

GENERAL FUND	2015-16	2016-17
All Other	\$0	\$2,773,600
GENERAL FUND TOTAL	\$0	\$2,773,600

FEDERAL EXPENDITURES FUND	2015-16	2016-17
All Other	\$0	\$4,920,692
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$4,920,692

Office of Aging and Disability Services Central Office 0140

Initiative: Provides funds for a rate increase for personal care and related services.

GENERAL FUND	2015-16	2016-17
All Other	\$0	\$1,226,400
GENERAL FUND TOTAL	\$0	\$1,226,400

Temporary Assistance for Needy Families 0138

Initiative: Provides for a one-time reduction of funding for projected savings in the Temporary Assistance for Needy Families program.

GENERAL FUND	2015-16	2016-17
All Other	\$0	(\$4,000,000)
GENERAL FUND TOTAL	\$0	(\$4,000,000)

**HEALTH AND HUMAN SERVICES,
DEPARTMENT OF (FORMERLY DHS)
DEPARTMENT TOTALS**

	2015-16	2016-17
GENERAL FUND	\$0	\$0

FEDERAL EXPENDITURES FUND	\$0	\$4,920,692
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$4,920,692