



HOUSE BILL 914: Support Our Direct Care Workforce.

2021-2022 General Assembly

Committee:	House Health. If favorable, re-refer to Appropriations. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	June 8, 2021
Introduced by:	Reps. Brisson, Moffitt, Lambeth, Sasser	Prepared by:	Jennifer Hillman
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 914 would provide funds for increases in the rates paid to certain Medicaid providers through fee-for-service and through capitation rates paid to prepaid health plans (PHPs) and local management entities/managed care organizations (LME/MCOs). Providers receiving the rate increases would have to use at least 80% of the rate increase to increase wages paid to direct care employees.*

The rate increases would apply to providers of personal care services (PCS) or home health services, providers of direct care waiver services, and providers of direct care services in the following settings: intermediate care facilities for individuals with intellectual disabilities (ICF/IID), nursing homes, and behavioral health residential facilities.

BILL ANALYSIS: **Section 1(a)** would direct the Department of Health and Human Services, Division of Health Benefits (DHB), to increase the rates paid to providers of personal care services (PCS), providers of home health services, providers of direct care Medicaid waiver program services, and providers of direct care services in the following settings: intermediate care facilities for individuals with intellectual disabilities (ICF/IID), nursing homes, behavioral health residential facilities. **Section 1(c)** would require DHB to increase capitation rates paid to PHPs and LME/MCOs in an amount sufficient for the PHPs and LME/MCOs to implement the same rate increases to providers as the fee-for-service rate increase.

Section 1(b) would require any provider receiving a rate increase to use at least 80% of the increased funding to increase the wages paid to its direct care employees above the rate paid as of September 1, 2021. **Section 1(d)** would require these providers to attest and provide verification of the use of funds for this purpose.

Section 2 would appropriate \$160 million from the General Fund and approximately \$333.6 million in federal funds in each year of the 2021-2023 fiscal biennium to be used for the rate increases.

EFFECTIVE DATE: Section 2 would become effective July 1, 2021, and the remainder of the bill would be effective when it becomes law.

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