

Legislative Issues Pertinent to MHCA

Below are updates on just a few issues your MHCA Lobby team is working on this session:

FY25 Budget Update - As stated above, the Governor released his budget recommendations for the FY25 fiscal year last Wednesday, January 24, in conjunction with the 2024 State of the State address. Despite our efforts, the Governor did not recommend additional funding to our SNF Medicaid Rate.

We, along with others close to the Governor, have met with the Governor and his staff, and explained the current underfunding situation and dire need to rebase the SNF Medicaid rate again in order to capture the significant increases in post-COVID costs. There is a large price tag associated with the rebase of our SNF Medicaid rate. With state revenues remaining flat, we were not surprised that the Governor did not make a recommendation to increase or rebase our SNF Medicaid rate. Unfortunately, this is familiar ground for us. We must, as we are almost always forced to do, shift our efforts to the General Assembly to attempt to secure this much-needed funding.

As noted above, we have an uphill battle ahead of us for two reasons (1) the record amount of funding we have secured over the past couple years (more than any other Medicaid provider); and (2) state revenues are not growing – without increased revenues, any increases to our funding will have to come at the detriment of another program being cut in the budget.

In preparation for this budget battle, our team has been working diligently during the interim with House and Senate leadership and the budget leaders to relay the importance of a rebase this year and how it is imperative that the reimbursement rate take into account our current, post-COVID costs. During the interim, we focused on giving legislators real world examples of the financial crisis facing the facilities in our industry. Our lobbyists travelled to legislators' districts to speak with them, and hosted facility visits in order to garner support and show legislators real life examples of how dire the financial crisis is. **Thank you to those who have opened up your facilities and taken time to host your elected official. It has made an enormous impact and encouraged legislators to talk with the administration and House and Senate budget leaders about the need to rebase our rate.**

Now that the Governor has released his budget, the House and Senate will begin modifying the budget to fit their priorities. As the budget progresses, **please watch for possible call to action alerts.** If you are not signed up for our advocacy alerts, please do

so HERE: <https://mobilize4change.org/6Wc46go>

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FRA Renewal: The Federal Reimbursement Allowance (“FRA”), otherwise known as the “provider tax”, will expire on September 30, 2024, if not renewed before. This program accounts for nearly \$4 billion in funding for hospitals, nursing homes, pharmacies and ambulance/emergency services through the Medicaid program. The Nursing Facility Reimbursement Allowance (NFRA) accounts for over \$60/ppd of our SNF Medicaid rate. This bill renewing this important program has already had a hearing in the Senate, was voted out of committee and now sits as the first bill for debate on the Senate Calendar. However, passage of the bill has a LONG road ahead of it and will likely take up the majority of floor debate in the coming weeks, possibly months. Please read below to understanding the importance of getting this passed and the roadblocks before us.

The sunset (or expiration date) must be extended during this legislative session otherwise the program will end on September 30. Expiration of this program would be catastrophic to the overall budget and our SNF Medicaid rate. The program has been in effect for over 30 years. For much of its existence, there was never any discussion when renewing the state’s self-imposed sunset on the program since it brings in so much federal money which funds the Medicaid program. However, in recent years, certain legislators have held the renewal of this program “hostage” in order to get their other non-related priorities across the finish line. As you may recall, the last time we renewed the program, the legislature was unable to get the renewal done during the regular legislative session due to the same issues it faces this session. As a result, in 2022 we were forced into a June special session where the renewal of the program finally passed on the last day of the fiscal year.

Our MHCA lobby team, along with other lobbyists who represent other Medicaid providers who will also be impacted, have put together an advocacy campaign to explain the severity of this situation and the extreme need for the passage of the FRA without any amendments. We will let you know in an action alert when the time is right to take action. We ask that you, your staff, residents and their families please be prepared to contact your elected officials. This issue has taken a significant amount of our time in the Capitol this year and will continue to do so until this bill is passed out of the legislature.

As a reminder of how important it is to renew the FRA before its sunset – the FRA accounts for over \$60 PPD of our SNF Medicaid rate. SB748 was filed by Sen. Lincoln Hough would renew the program and is the #1 bill on the calendar awaiting debate.

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CON: Each year legislation is filed to repeal the Certificate of Need in Missouri. This is typically filed by republicans in order to facilitate more of a free market industry in health care. We know that the free-market argument does not translate to the long-term care

industry and will continue to have conversations with the legislators who file these bills. Representative Dean Van Schoiack has filed HB1605, a CON Reform bill that was heavily influenced by MHCA and addresses the underlying concerns about the current CON process. However, Senator Moon continues to file the full repeal of the CON process which is contained in SB1087.

Inspections of Assisted Living and Residential Care Facilities: Legislation was filed last year and again this year that states if an ALF or RCF receives an accreditation from a recognized accrediting entity, and submits the documentation to DHSS, so long as the facility is in good standing, the facility does not have to undergo its annual inspection. This does not apply to complaint and other surveys. It is our understanding this accreditation is a very difficult accreditation to get. Sen. Mary Elizabeth Coleman has filed SB813 and Rep. Travis Smith has filed HB1825 outlining this process.

MHCA Mid Year Lobby Day:

MHCA Mid-Year Conference & Lobby Day

March 4-5, 2024

Capitol Plaza Hotel

Jefferson City, MO

Join us at the 2024 MHCA Mid-Year Conference & Lobby Day! The MHCA staff and Education & Events Committee have created a schedule of important and hot-topic education sessions to meet your needs in the current long-term care climate, featuring 12 hours of continuing education credit.

It is important that you plan to attend the lobby day aspect to help us continue to build relationships between the LTC industry and our elected officials. Remember, you are the experts in LTC and your perspective is extremely valuable in shaping the opinions of our legislature.

Register here: <https://forms.mohealthcare.com/event/MidYear2024>