



# All Things Maine

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# Learning objectives



- ▲ Gain an understanding of Maine Supplemental Payments, related compliance requirements and reimbursement implications.
- ▲ Gain insight into upcoming rebasing issues.
- ▲ Gain knowledge of LD 1573 and how it may impact the senior living industry.
- ▲ Gain perspective regarding industry financial, cost and payment trends and understand how you “measure up.”

# Polling question

Did you receive CAREs Act or State Supplemental Payments?

- A. CAREs Act
- B. State Supplemental Payments
- C. Both
- D. Don't know





## Supplemental Payments

# Supplemental Payments

## 1 | Eligibility

- 75% distributed proportionally based on CY19 MaineCare revenue.
- 25% distributed to facilities with lower occupancy in the 2nd half of state FY 2021.

## 2 | Period of Use

- July 1, 2021 – June 30, 2022

## 3 | How and What Can They be Used For?

- Increased costs related to recruitment and retention of direct care staff.
- Retention of other essential personnel, non-communal dining, visitor/vendor screening, housekeeping and supplies, testing supplies and/or PPE.

## 4 | Carry-forward

- Settlement on cost report through yearend.
- New schedule, Schedule GG, in cost report calculates amount available for use through June 30, 2022.

## 5 | Reporting on the Cost Report – NFs and App C's

- Submit a financial reconciliation with cost report filing.
- Department will review and settle any under/overpayments.
- Costs should be removed through adjustment.



# Schedule GG

ABC Facility LTC Supplemental Payment Reconciliation For the Period 01/01/2021 to 12/31/2021										SCHEDULE GG
1	2	3	4	5	6	7	8	9	10	
CR Schedule F Line #	CR Schedule F Line Description	* Hours Associated w/Col. 2, If Applicable	Total Expense	Is this a one-time Expense? (Y/N)	MaineCare Occupancy %	MaineCare Portion of Expense	Reimbursed % (Line 15 / Line 14)	Total Reimbursed Allocated	Offset on Sch F and Sch L** (col. 9 / col. 6)	
1		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
2		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
3		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
4		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
5		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
6		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
7		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
8		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
9		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
10		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
11		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
12		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
13		-	\$ -		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
14	Total Expenses (line 1 to line 13)		\$ -			#DIV/0!				
15	LTC Supplemental Payments Received September & October 2021					\$ -		#DIV/0!	#DIV/0!	
16	Variance: If negative, amount available for use through 6/30/22. If positive, no further action necessary.					#DIV/0!			Total Offset to Sch. H	







## FAQ

<https://www.maine.gov/dhhs/sites/maine.gov.dhhs/files/inline-files/Supplemental%20Payment%20FAQs%2010%208%2021.pdf>



# Nursing Facility Rebasing



# Nursing Facility Rebasing

## Biannual



- Costs will be rebased by the Department every two years

## Timing and Process



- Rebasing must be based on the most recently filed cost report available by April 1<sup>st</sup> of the re-basing year

## Expectations



- Timing
- COVID-19 Nuances
- Budget

# Nursing Facility Rebasing Projections

	Current Upper Limit	Projected Upper Limit
<b>Direct Care</b>		
Peer Group 1	\$ 94.02	\$119.47
Peer Group 2	\$102.29	\$132.01
Peer Group 3	\$144.34	\$162.07
<b>Routine</b>		
Peer Group 1	\$ 85.46	\$105.23
Peer Group 2	\$ 88.81	\$104.59
Peer Group 3	\$123.45	\$149.48

Calculations include significant estimates with regard to inflation and case mix.



# Polling question

What are you using your supplemental payments for?

- A. One-time bonuses
- B. Wage increases
- C. Infection control
- D. Other
- E. All of the above



# How Supplemental Payments may impact rebasing

## FAQ #12

**Q:** "How will these supplemental payments be treated for the July 1, 2022 Nursing Facility rebasing?"

**A:** "Generally, if the costs funding by the supplemental payment are for ongoing allowable costs, then those costs will be included in rebasing calculations. IF a cost is a one-time cost, then it will not be included in the rebasing calculations."

## Factors to Consider

- Timing
- Provider specific approaches to the use of supplemental payments
- Unit specificity
- DHHS' Calculation





LD 1573

# Essential support worker reimbursement

- 1** Beginning 1/1/22
- 2** 125% Minimum Wage
- 3** Labor Portion of the Rate
- 4** MaineCare & State Funded Programs
- 5** NF & RCF





# Polling question

Over the past two years, has your facility experienced the following?

Choose all that apply.

- A. Decreased occupancy
- B. Increased labor costs
- C. Workforce shortages

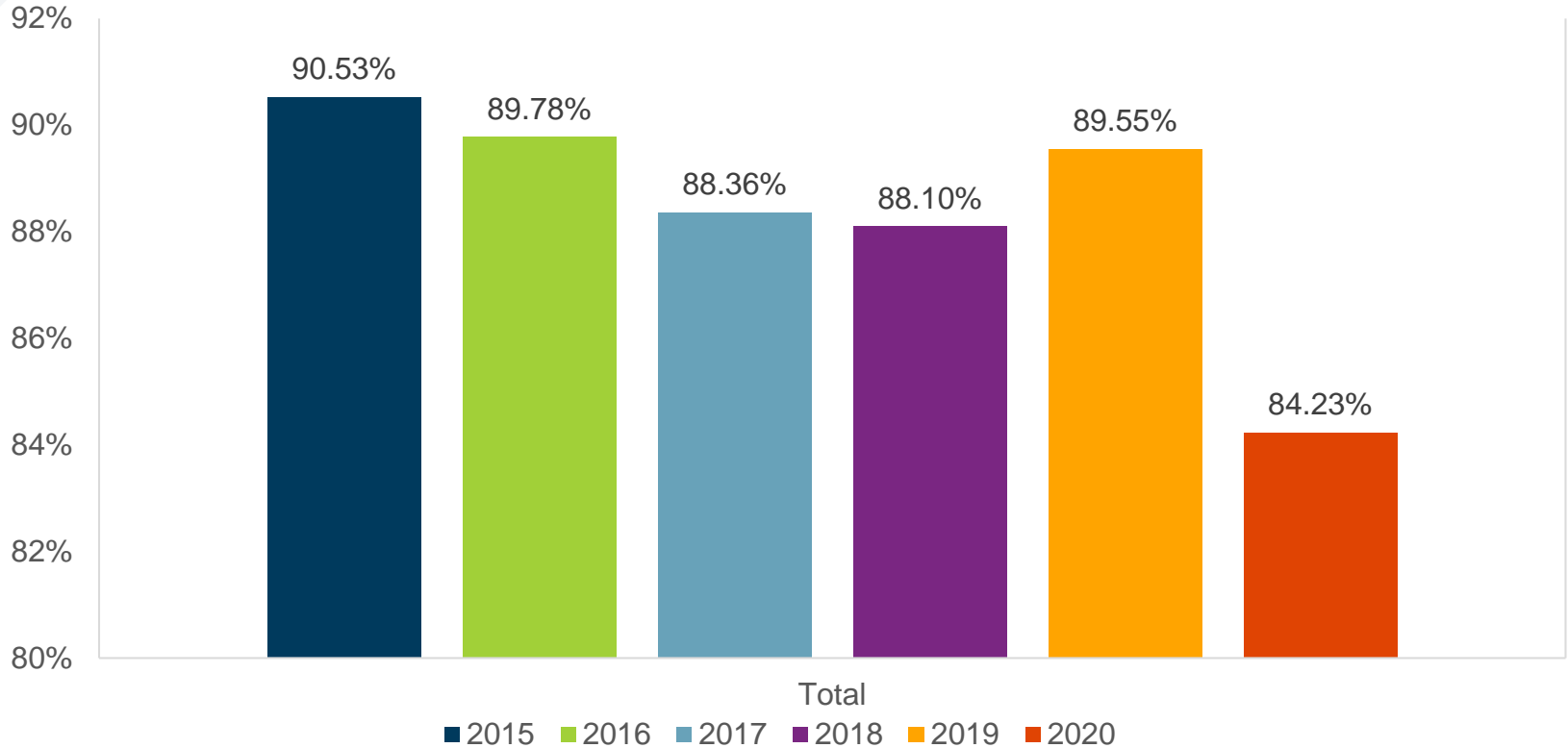




## Industry Trends

# Industry Trends

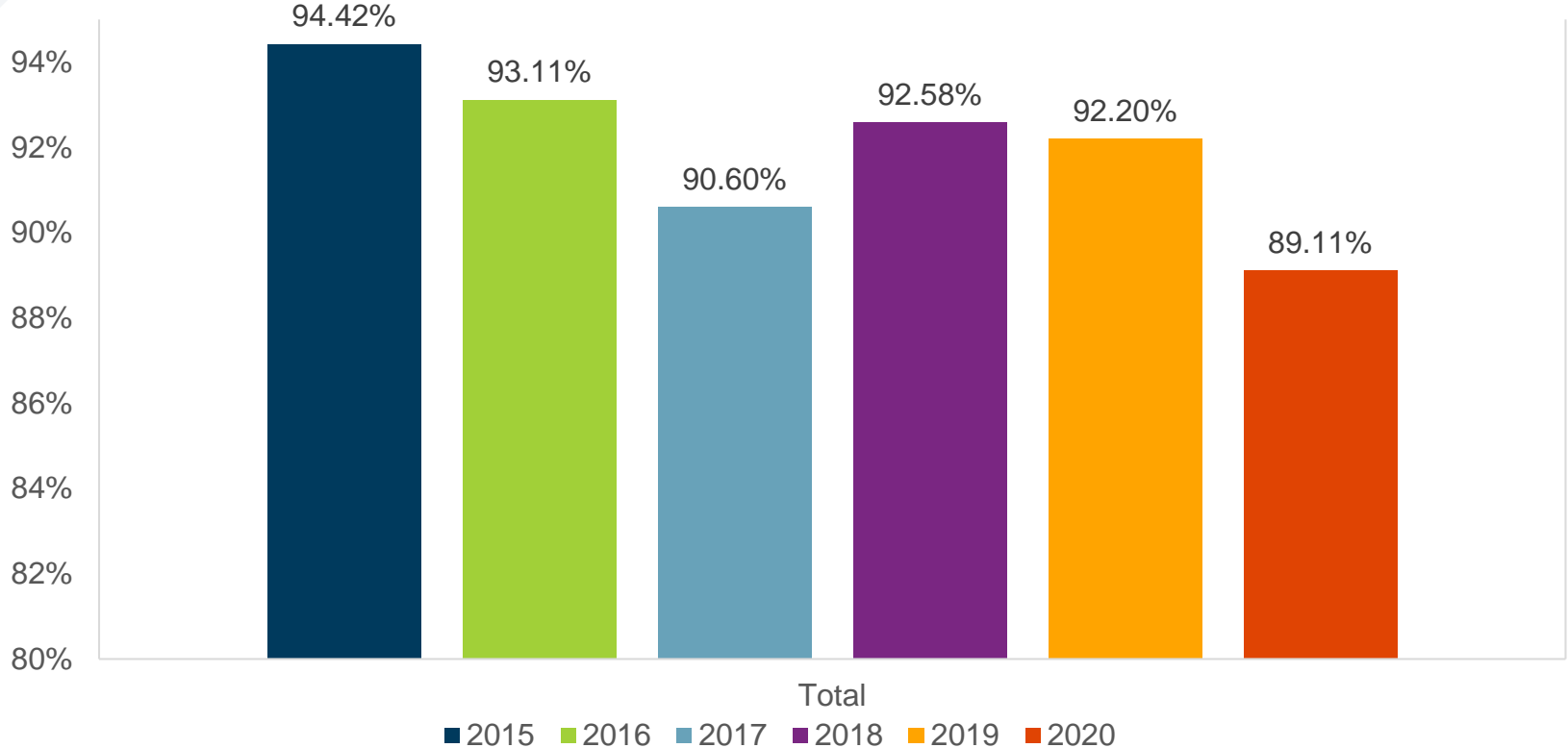
## Nursing facility occupancy



\* Source – As Filed MaineCare Nursing Facility Cost Reports, 2015 - 2020

# Industry Trends

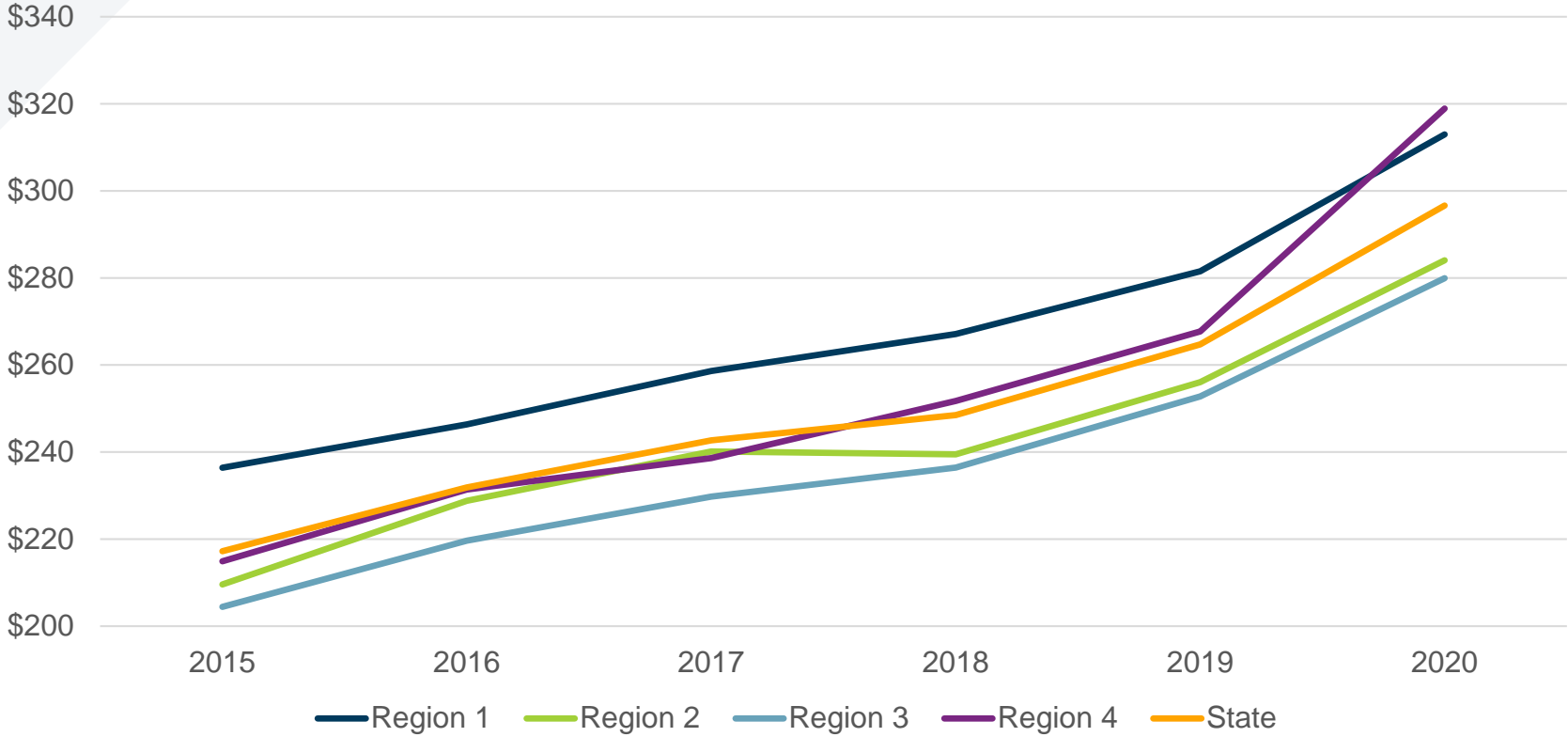
## Residential care facility occupancy



\* Source – As Filed MaineCare Nursing Facility and Residential Care Facility, Appendix C, Cost Reports, 2015 - 2020

# Industry Trends

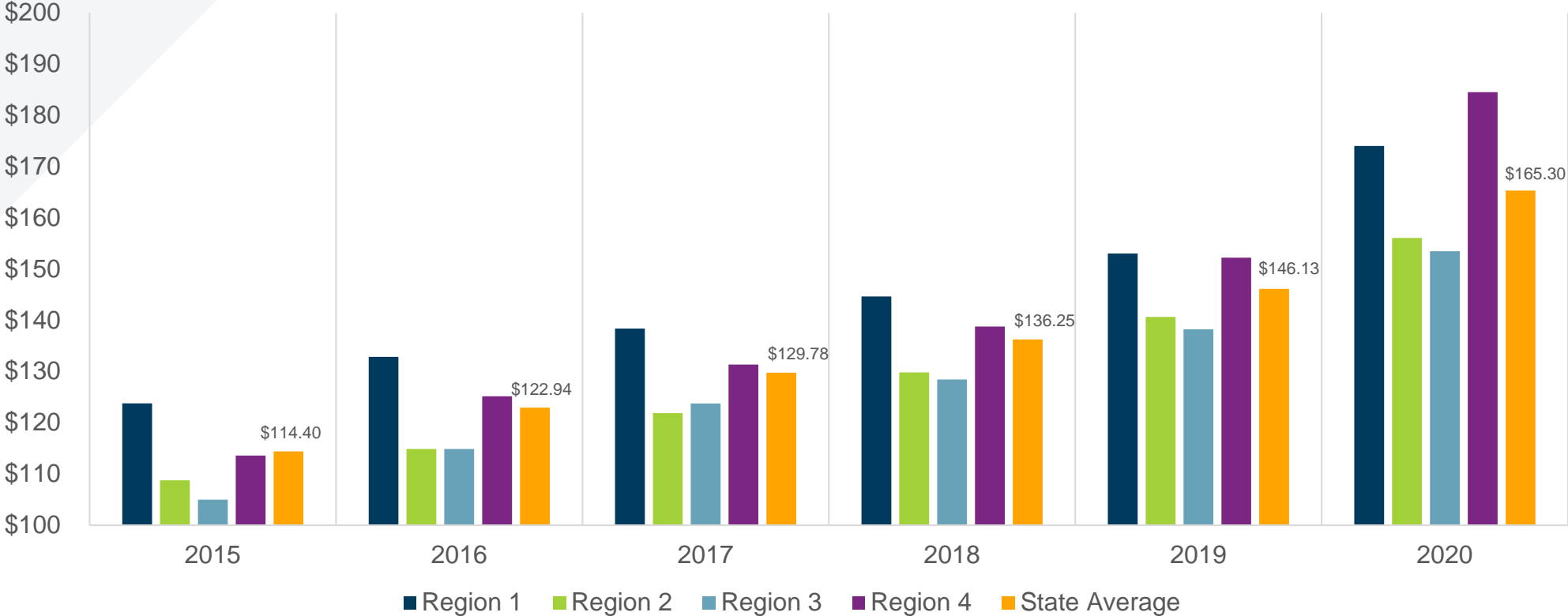
Nursing facility allowable cost per patient day



\* Source – As Filed MaineCare Nursing Facility Cost Reports, 2015 - 2020

# Industry Trends

Nursing facility average allowable direct care cost per patient day by region and state-wide

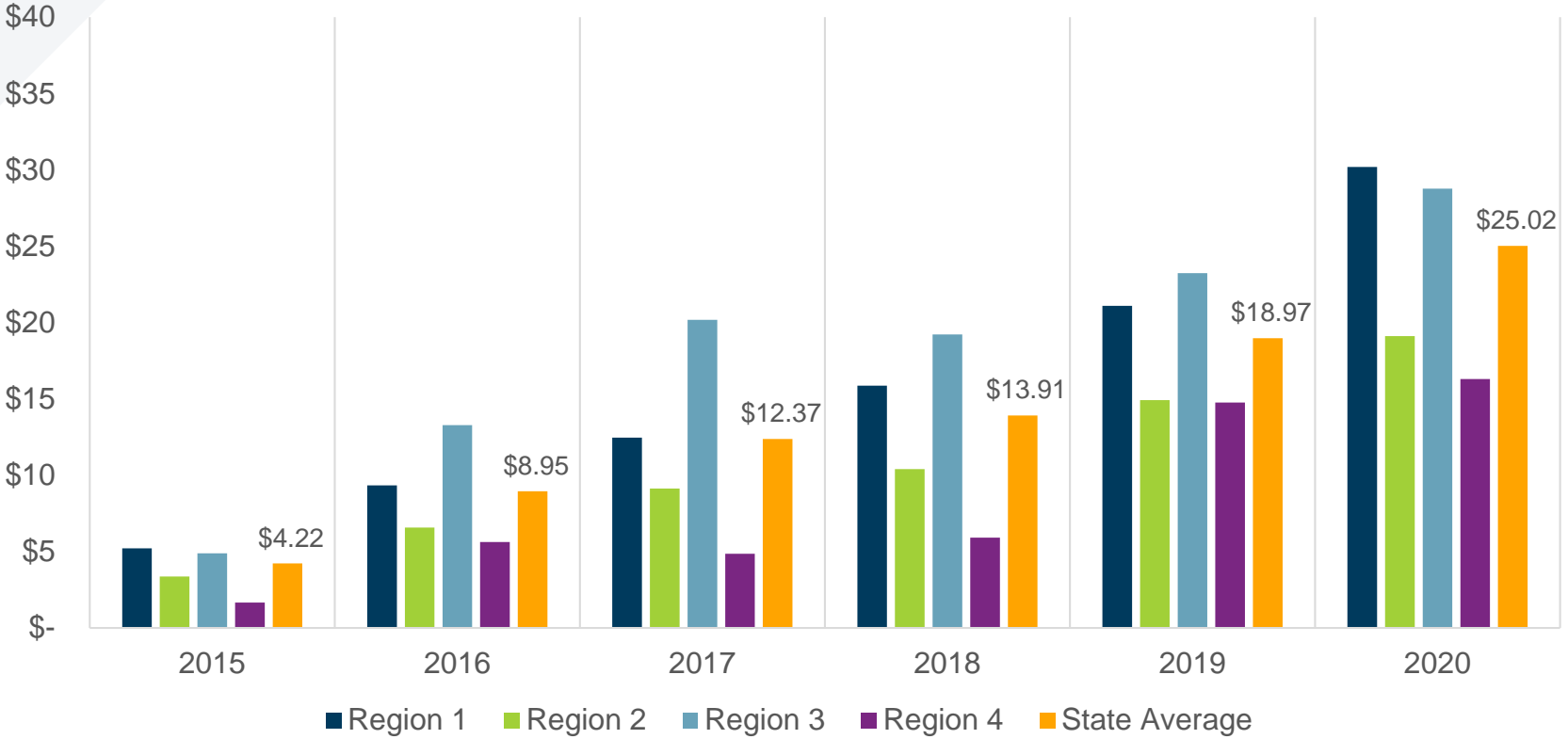


\* Source – As Filed MaineCare Nursing Facility Cost Reports, 2015 - 2020



# Industry Trends

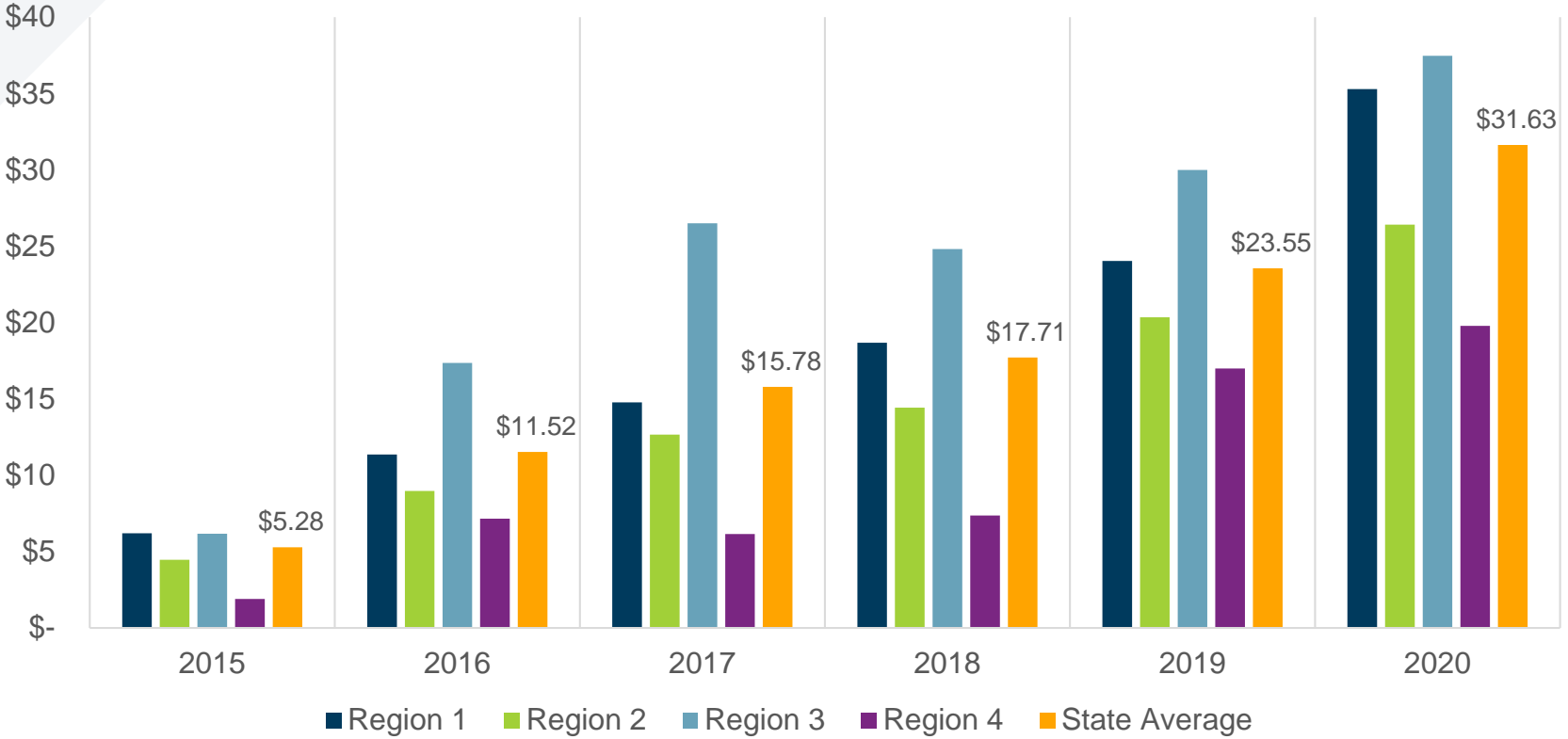
Nursing facility average allowable contract labor cost per patient day by region and state-wide (all units)



\* Source – As Filed MaineCare Nursing Facility Cost Reports, 2015 - 2020

# Industry Trends

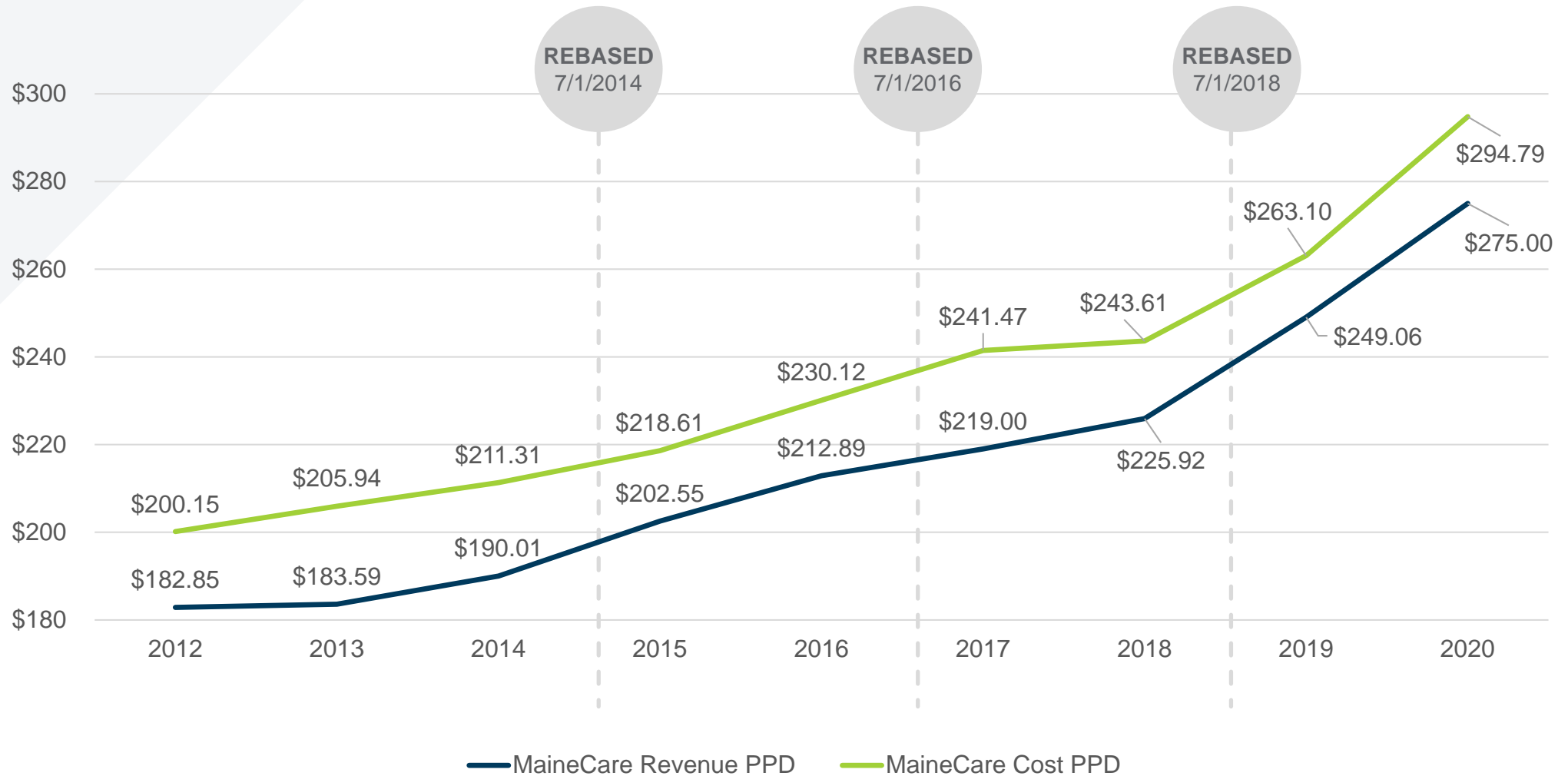
Skilled/long-term care unit average allowable contract labor cost per patient day by region and state-wide



\* Source – As Filed MaineCare Nursing Facility Cost Reports, 2015 - 2020

# Industry Trends

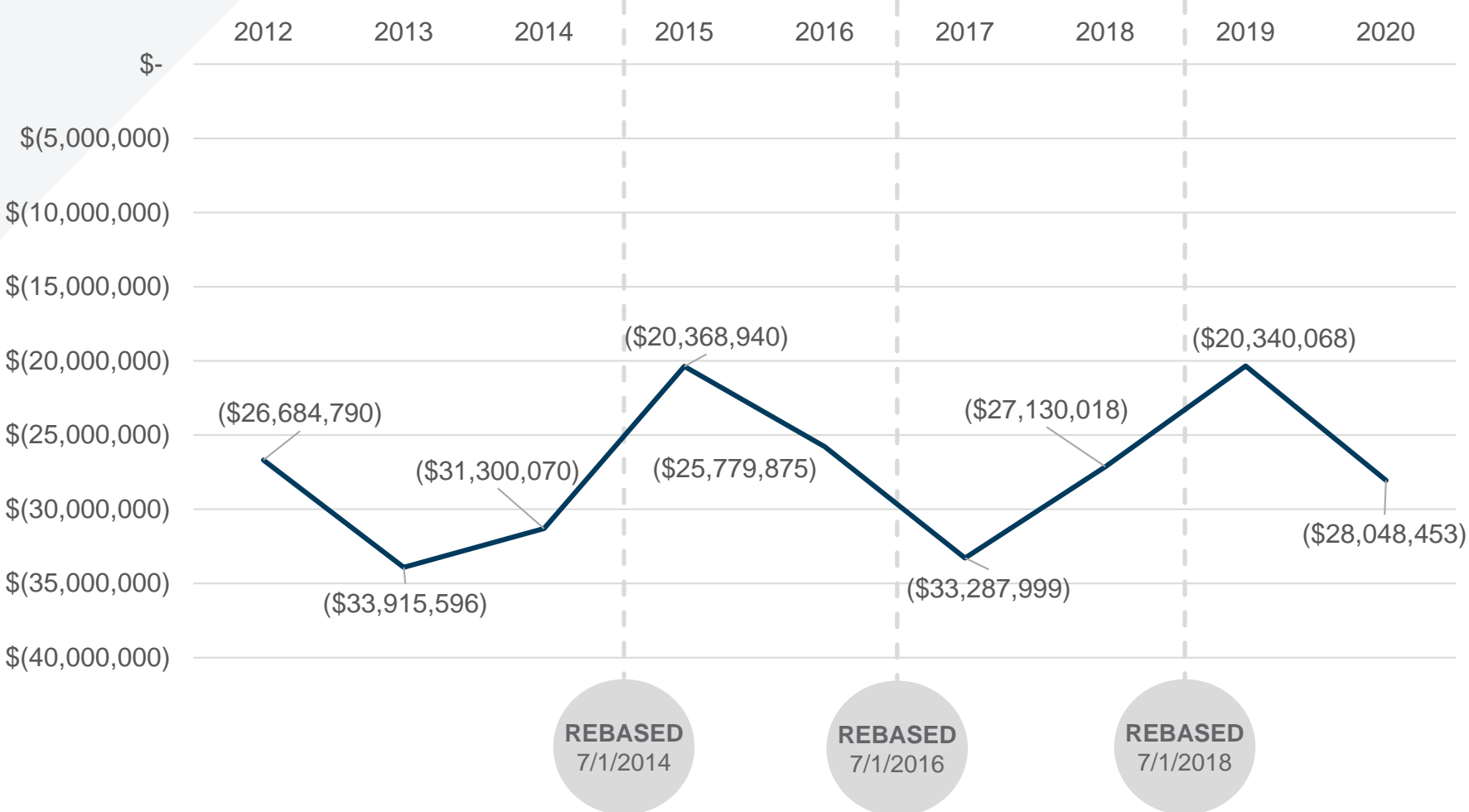
Nursing facility – MaineCare revenue and cost per patient day (PPD)



\* Source – As Filed MaineCare Nursing Facility Cost Reports, 2012 - 2020

# Industry Trends

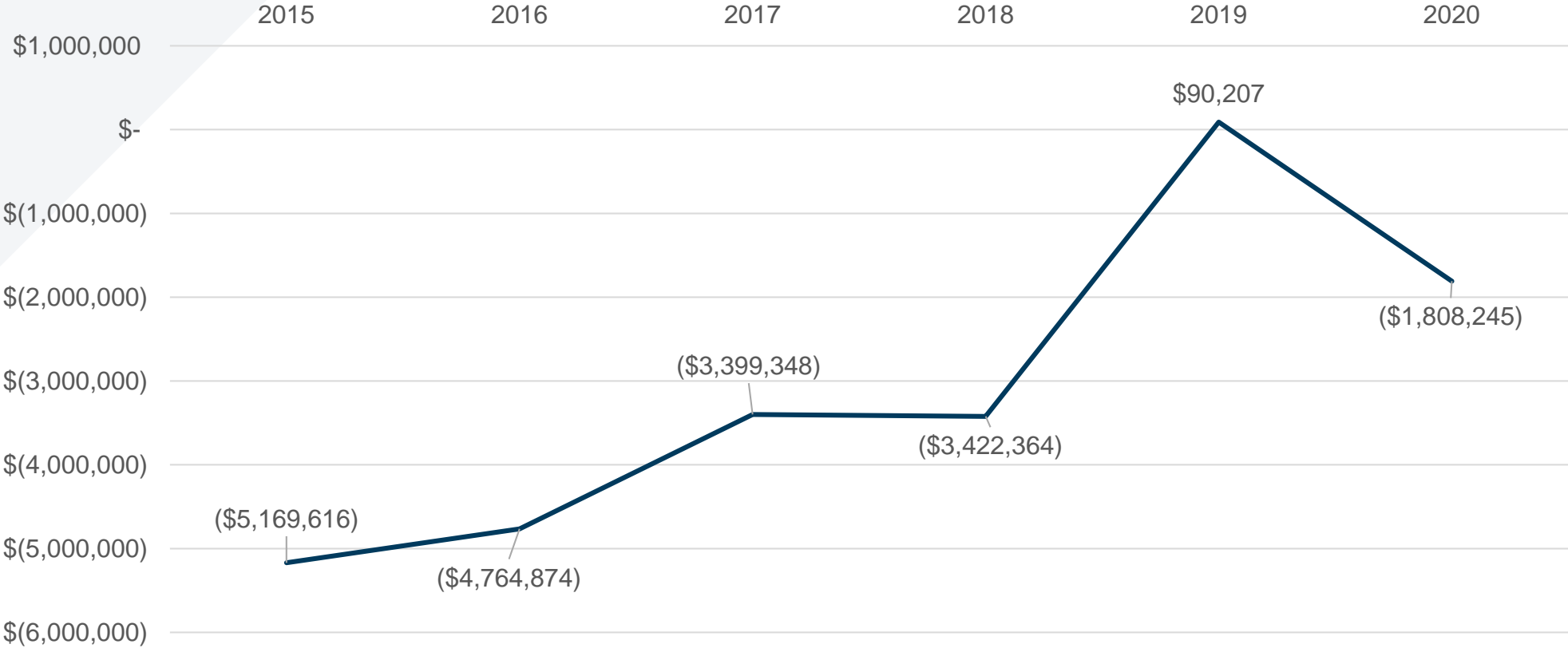
## Nursing facility shortfall



\* Source – As Filed MaineCare Nursing Facility Cost Reports, 2012 - 2020

# Industry Trends

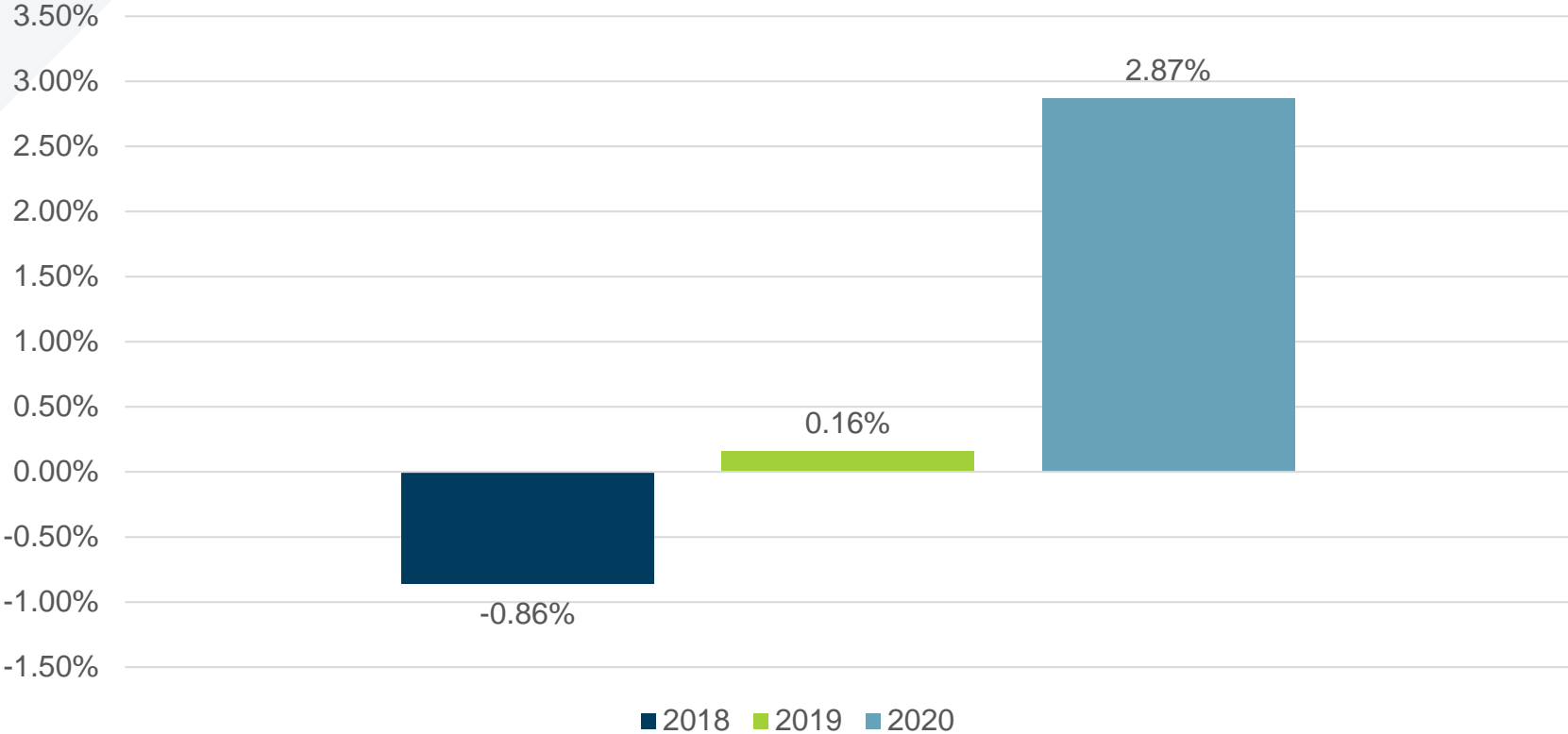
## Residential care facility shortfall



\* Source – As Filed MaineCare Residential Care Facility Cost Reports, Appendix C, 2015 - 2020

# Financial Trends

## Total Margin (Nursing and Multi-Level Facilities)

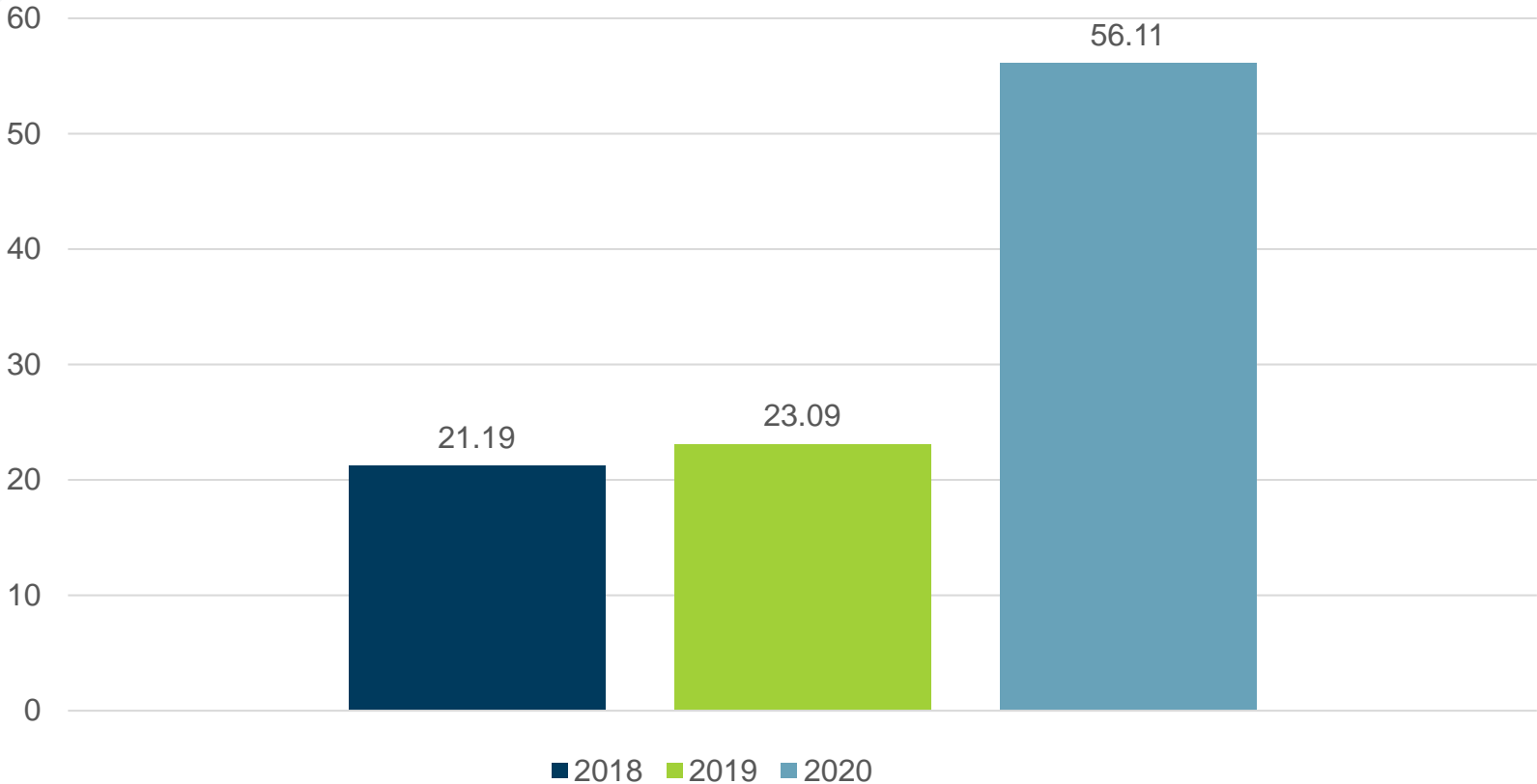


\* Source – BerryDunn Key Financial Ratios Database  
\*\* Data Includes Maine Nursing Home and Multi-Level Facilities



# Financial Trends

Days Cash on Hand – Operating (Nursing and Multi-Level Facilities)



\* Source – BerryDunn Key Financial Ratios Database  
\*\* Data Includes Maine Nursing Home and Multi-Level Facilities

# Thank you

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