



# **132nd MAINE LEGISLATURE**

### FIRST REGULAR SESSION-2025

Legislative Document	No. 772

S.P. 330

In Senate, February 25, 2025

## An Act to Assist Nursing Facilities in the Management of Facility Beds

Reference to the Committee on Health and Human Services suggested and ordered printed.

h GT

DAREK M. GRANT Secretary of the Senate

Presented by Senator BALDACCI of Penobscot.

1 Be it enacted by the People of the State of Maine as follows:

4

5

6 7

8

9

10

11

12 13

14

Sec. 1. 22 MRSA §333, sub-§1, as amended by PL 2011, c. 648, §2, is further
 amended to read:

1. Procedures. A nursing facility that voluntarily reduces the number of its licensed beds at any time prior to July 1, 2007, for any reason except to create private rooms may convert the beds back and thereby increase the number of nursing facility beds to no more than the previously licensed number of nursing facility beds, after obtaining a certificate of need in accordance with this section, as long as the nursing facility has been in continuous operation without material change of ownership. For purposes of this section and sections 333-A and 334-A, beds voluntarily removed from service prior to July 1, 2007 and available to be reinstated under this section are referred to as "reserved beds." Reserved beds remain facility property until they lapse as provided for in this section or are transferred. To reinstate reserved beds under this subsection, the nursing facility must shall:

A. Give notice of the number of beds it is reserving no later than 30 days after the
effective date of the license reduction;

A-1. Annually provide notice to the department no later than July 1st of each year of
the nursing facility's intent to retain these reserved beds, subject to the limitations set
forth in subsection 2, paragraph B. Notice provided under this paragraph preserves the
reserved beds through June 30th of the following year. The annual notice on reserved
beds may be filed by an individual nursing facility or by multiple nursing facilities
through a membership organization approved by the department by a single filing; and

B. Obtain a certificate of need to convert beds back under section 335, except that, if no construction is required for the conversion of beds back, the application must be processed in accordance with subsection 2. The department in its review shall evaluate the impact that the nursing facility beds to be converted back would have on those existing nursing facility beds and facilities within 30 miles of the applicant's facility and shall determine whether to approve the request based on current certificate of need criteria and methodology.

30 Sec. 2. 22 MRSA §333, sub-§2, ¶A, as enacted by PL 2001, c. 664, §2, is amended
 31 to read:

32 A. Review of applications that meet the requirements of this section must be based on 33 the requirements of section 335, subsection 7, except that the determinations required 34 by section 335, subsection 7, paragraph B must be based on the historical costs of 35 operating the beds and must consider whether the projected costs are consistent with the costs of the beds prior to closure, adjusted for inflation applications that seek to 36 37 reopen reserved beds must be approved if the projected incremental costs of reopening 38 and operating the reserved beds are consistent with the nursing facility's costs of operating its other beds. Applicants are not required to demonstrate that any increases 39 40 in MaineCare costs are offset by other MaineCare savings. The costs of ongoing operation of both the reopened beds and the complement of nursing facility beds at the 41 time the reserved beds are reopened must be recognized as allowable costs and 42 43 incorporated into the nursing facility's MaineCare payment rates; and

44 Sec. 3. 22 MRSA §1720, as enacted by PL 2005, c. 242, §1, is amended to read:

1 2

3 4

5

6

7

8

9

10

11

#### §1720. Nursing facility medical director reimbursement

The department shall include in its calculation of reimbursement for services provided by a nursing facility an allowance for the cost of <u>incurred by the facility for</u> a medical director in a base year amount not to exceed \$10,000, with that amount being subject to an annual cost-of-living adjustment.

### SUMMARY

This bill modifies the provision of law governing procedures for reinstating beds that have been voluntarily removed from a nursing facility. The bill expands the criteria governing which removed beds qualify as reserved beds that may be reinstated under this provision by removing language that limits reinstatement to beds that were removed prior to July 1, 2007 for a reason other than to create private rooms.

12 The bill modifies the expedited review process to obtain certificate of need approval to reopen reserved beds. Applications that seek to reopen reserved beds must be approved if 13 14 the projected incremental costs of reopening and operating the reserved beds are consistent 15 with the facility's costs of operating its other beds. Applicants are not required to demonstrate that any increases in MaineCare costs are offset by other MaineCare savings. 16 17 The costs of ongoing operation of both the reopened beds and the complement of facility beds at the time the reserved beds are reopened must be recognized as allowable costs and 18 19 incorporated into the facility's MaineCare payment rates.

The bill requires the Department of Health and Human Services to include in its calculation of reimbursement for services provided by a nursing facility the cost incurred by the facility for a medical director. Current law only requires the department to include in its calculation an allowance for the cost of a medical director in a base year amount not to exceed \$10,000 adjusted for cost of living.