

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1715

H. P. 1397

House of Representatives, April 7, 1975

Referred to Committee on Appropriations and Financial Affairs. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Najarian of Portland.

Cosponsors: Mr. Henderson of Bangor, Mrs. Goodwin of Bath and Mrs. Post of Owls Head.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Relating to Payments to Nursing Homes.

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

Sec. 1. 22 MRSA § 1708 is repealed and the following enacted in place thereof:

§ 1708. Appropriations for aid of public and private hospitals and nursing homes

1. Compensation for hospitals. Such sums of money as may be appropriated by the Legislature in aid of public and private hospitals shall be expended under the direction of the department, and the expense of administration shall be charged to the appropriation of that department for general administration. The department is authorized to compensate hospitals located in the State of New Hampshire within 15 miles from the Maine - New Hampshire state line or hospitals located in the Provinces of Quebec or New Brunswick, Canada, within 5 miles of the international boundary, for cases where the hospital care is for persons resident in the State of Maine and, in the judgment of the commissioner, adequate local hospital facilities are not available. The department may compensate hospitals at such rates as it may establish for hospital care of persons whose resources or the resources of whose responsible relatives are insufficient therefor, except as provided in subsection 2. Bills itemizing the expenses of such hospital care, when approved by the department and audited by the State Controller, shall be paid by the Treasurer of State.

2. Compensation for nursing homes. A nursing home, as defined under section 1812-A, or any portion of a hospital or institution operated as a nurs-

ing home, when the State is liable for payment for care, shall be reimbursed at a rate established by the Department of Health and Welfare pursuant to this subsection. The department shall not establish a so-called "flat rate." The department shall establish for each nursing home a payment rate or payment rates relating to various types of care provided in a nursing home. Such rate or rates shall be based on the operating costs attributable to each nursing home as determined by such accounting and auditing standards and procedures as the department may establish. The provisions of this subsection shall apply to all funds, including federal funds, paid by any agency of the State to a nursing home for patient care. The provisions of this subsection shall apply, notwithstanding any other provisions of law.

STATEMENT OF FACT

Many nursing homes caring for disabled, elderly, mentally ill or retarded people are paid by the State of Maine on a so-called "flat rate." The purpose of this bill is to require that payments made by the State shall be based on costs attributable to each facility.