

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)

FIRST SPECIAL SESSION

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 2228

H. P. 2058

House of Representatives, February 19, 1976

Reported by Mr. Goodwin from the Committee on Health and Institutional Services, pursuant to H. P. 1724 and printed under Joint Rule No. 3.

EDWIN H. PERT, Clerk

Filed Under Joint Rule No. 3 Pursuant to H.P. 1724.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SIX

**AN ACT to Promote the Development of Small Group Homes For
Mentally Retarded Individuals.**

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

22 MRSA § 5-C, is enacted to read:

§ 5-C. Reimbursements to small nonprofit boarding homes for mentally retarded persons

No standards, rules or regulations of the department shall be adopted or enforced which would have the effect of denying to any boarding home which is a small group home for mentally retarded persons the opportunity to receive from the department reimbursements based on the reasonable costs of operating such a boarding home. For the purposes of this section, a small group home shall be defined as a private, nonprofit boarding home having fewer than 7 beds for individuals with a disability attributable to mental retardation or with a handicapping condition found to be closely related to mental retardation.

FISCAL NOTE

Currently there are only a few private, nonprofit boarding homes with fewer than 7 beds for mentally retarded people. In addition, there are a few private groups which would be able to establish such homes if they could receive reimbursements on a reasonable cost basis. If only these few existing and potential homes receive reasonable cost reimbursements, the fiscal impact will be minimal.

If every boarding home with fewer than 7 beds would receive reasonable cost reimbursements, the cost to the State would be roughly \$600,000. However, this Act may not create such a large financial burden for the following reasons.

1. The Act allows only nonprofit boarding homes for mentally retarded persons to receive reasonable cost reimbursements.

2. The Department of Human Services requires appropriate record keeping by all residential facilities which receive reasonable cost reimbursements. The department has stated that most boarding homes with under 7 beds keep inadequate records. Therefore, at least until the small homes prove their ability to keep good records, the department will not have to allow them to receive reasonable cost reimbursements.

3. In the long run, assuming that care can be provided at less cost in small facilities than in large facilities, this Act should not increase, and might decrease, the amount of state funds spent for the care of mentally retarded persons in community-based boarding homes.

STATEMENT OF FACT

Under the existing rate setting and reimbursement mechanisms of the Department of Human Services, boarding homes with 7 beds and over are reimbursed on a reasonable cost basis, while boarding homes with fewer than 7 beds are paid on a flat grant basis. The average monthly payment is \$285 per client to boarding homes with 7 beds and over and \$192 per client to boarding homes with fewer than 7 beds.

The purpose of this Act is to increase payments to, and thus facilitate the development of, boarding homes with fewer than 7 beds which operate or plan to operate as private, non-profit group homes for mentally retarded persons. The Act accomplishes this purpose by allowing small nonprofit group homes to receive payments on a reasonable cost reimbursement basis.

This Act is based on the findings of the Committee on Health and Institutional Services pursuant to H.P. 1724, a study of mental retardation services in Maine.