

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 742

H. P. 605

House of Representatives, March 8, 1977

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

EDWIN H. PERT, Clerk

Presented by Mrs. Nelson of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

AN ACT to Maintain General Assistance Reimbursements to Municipalities.

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

²² MRSA § 4499, as amended by PL 1973, c. 681, § 7, and by PL 1975, c. 293, § 4, is repealed and the following enacted in its place:

§ 4499. Reimbursement by Department of Human Services

The Department of Human Services shall reimburse municipalities all net general assistance costs incurred by municipalities under a general assistance program for medical, dental, nursing home and hospital care and burial services. Ninety percent of all other general assistance costs incurred by a municipality in any fiscal year under a general assistance program that are in excess of .0005 multiplied by that municipality's state valuation shall be reimbursed by the Department of Human Services.

For the purposes of this section, the municipal officers shall submit to the Department of Human Services a monthly return, on forms provided by the department, stating the net costs for furnishing reimbursable services and the net costs for all other general assistance for each calendar month that reimbursement is claimed.

The Department of Human Services shall periodically promulgate standards governing the costs of medical, dental, nursing home and hospital care and burial services and shall distribute copies of these standards to each municipality. Neither a municipality nor the Department of Human Services shall be obligated to incur costs in excess of these standards.

STATEMENT OF FACT

It is estimated that increases in state valuation will cause a 50% reduction in general assistance reimbursements to municipalities in 1977. For this reason, a change in the reimbursement formula is advocated to maintain existing levels of aid to municipalities for general assistance. The assumption by the state of medical and burial services is proposed for financial and administrative reasons. The Department of Human Services has expertise in determining the appropriateness of services rendered and costs incurred. Funeral services are often provided in locations other than those of the municipality legally responsible for this expense. Confusion has occurred under these circumstances and funeral agencies have been denied payment for services rendered based on correct interpretation of existing law. State assumption of this cost could bring uniformity of treatment to businesses providing these services.

The reimbursement of medical and burial services would in contrast to the existing arrangement provide state aid to most municipalities.