

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 1000

S. P. 339

In Senate, March 7, 1979

Referred to the Committee on Health and Institutional Services. Sent down for concurrence and ordered printed.

Presented by Senator O'Leary of Oxford.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT Relating to Cost Reimbursement of Boarding Care Facilities under the
Human Services' Laws.

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

Sec. 1. 22 MRSA § 3273 sub-§ 1, ¶ B, as amended by PL 1975, c. 623, § 28 is further amended to read:

B. For an individual who resides in an adult foster home or boarding home, in addition to the benefits provided herein under paragraphs A and C, provide sufficient income to allow the individual for personal needs an amount equal to the rates set in subsection (e) (i) (B) of section 1611 of Title XVI of the United States Social Security Act, as amended, plus an amount sufficient to meet the monthly per resident payment rate as established by the department for such home in which the individual resides; **provided that no rate shall be set by the department for boarding care in facilities licensed for more than 6 residents by establishing a ceiling on payments which is less than the actual reimbursable cost of care to the facility;** and

Sec. 2. 22 MRSA § 7906, last sentence, as enacted by PL 1975, c. 719, § 6, is repealed as follows:

~~In no case shall the maximum allowable costs be less than the ceilings set for boarding care facilities with a capacity of more than 6~~

Sec. 3. 22 MRSA § 7908 is enacted to read:

§ 7908. Reimbursement to large boarding care facilities

No rule of the department, promulgated pursuant to the authority granted in section 7902 or otherwise, shall set a ceiling on reimbursement to a boarding care facility licensed for more than 6 residents which would have the effect of denying the facility the opportunity to receive from the department reimbursements based on the reasonable costs of operating the facilities.

STATEMENT OF FACT

All large boarding care facilities and small boarding care facilities for mentally retarded residents are currently on a cost reimbursement system with the Department of Human Services. The department has arbitrarily set a ceiling on payments in past years and in 1978 included in its Principles of Reimbursement a provision by which a ceiling on reimbursement may be arbitrarily set by the department.

The result of such a ceiling is either that the facilities will be required to absorb the excess costs at the expense of the operators or that the quality of services will be diminished to keep costs within the ceiling at the expense of the residents. Neither alternative is desirable.