

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 491

S.P. 176

In Senate, February 23, 1987

Reference to the Committee on Banking and Insurance suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate  
Presented by Senator BUSTIN of Kennebec.

Cosponsored by Representative TAYLOR of Camden,  
Representative BOUTILIER of Lewiston, Representative THISTLE of  
Dover-Foxcroft.

STATE OF MAINE

IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND EIGHTY-SEVEN

1 AN ACT to Require Principles of Reimbursement  
2 for Intermediate Care Facilities for  
3 the Mentally Retarded to Include  
4 Provisions for Covering Increases in  
5 Insurance Premiums.  
6

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

9 22 MRSA §3187 is enacted to read:

10 §3187. Principles of reimbursement

11 Principles of reimbursement established for in-  
12 termediate care facilities for the mentally retarded  
13 shall provide the necessary and sufficient reimburse-  
14 ment as fixed expenses for all insurance coverages  
15 required of licensed facilities and shall include a

1 process for adjustment of facility rates when premium  
2 increases are beyond control of the facility. Direc-  
3 tors' and officers' liability coverage shall be in-  
4 cluded in the principles.

5 STATEMENT OF FACT

6 Group and nursing homes providing residential  
7 care for mentally retarded citizens have been hit  
8 with substantial increases in insurance costs over  
9 the last year. These facilities, almost entirely  
10 nonprofit, are dependent on state funding through  
11 Principles of Reimbursement promulgated by the De-  
12 partment of Human Services. However, these princi-  
13 ples do not provide for those adjustments and include  
14 allowances for all insurance costs, without which the  
15 homes would be operating under serious jeopardy.

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