

MAINE STATE LEGISLATURE

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1 Whereas, these facilities are significantly
2 impeded by the existing reimbursement structure which
3 imposes a monthly payment "ceiling" on recognition of
4 otherwise reasonable costs; and

5 Whereas, there is currently no requirement in the
6 Maine Revised Statutes, Title 22, chapter 1665,
7 entitled Boarding Care Facilities, which provides for
8 payment of reasonable costs to residents of boarding
9 care facilities having more than 6 beds; and

10 Whereas, in the judgment of the Legislature, these
11 facts create an emergency within the meaning of the
12 Constitution of Maine and require the following
13 legislation as immediately necessary for the
14 preservation of the public peace, health and safety;
15 now, therefore,

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

18 Sec. 1. 22 MRSA §7907, as repealed and replaced
19 by PL 1985, c. 791, §1, is amended to read:

20 §7907. Boarding care payments

21 Except as otherwise provided in section 7906
22 7906-A, the department shall:

23 1. Adult foster homes. Reimburse all approved
24 adult foster homes at a rate of at least \$225 per
25 month; and

26 2. Boarding care facilities. Reimburse all
27 boarding care facilities of 6 or fewer beds, except as
28 provided in section 7906 7906-A, on a flat rate
29 basis, which rate shall be increased effective as of
30 July 1, 1986, and on January 1st of each year after
31 1986 by the estimated percentage increase in the cost
32 of goods and services purchased by health care
33 facilities during the prior year, as published by Data
34 Resources, Inc.; and

35 3. Boarding care facilities with more than 6

1 beds. Reimburse all boarding care facilities of more
2 than 6 beds based on the reasonable costs of operating
3 the facility.

4 Sec. 2. 22 MRSA §§7907-A and 7907-B are enacted
5 to read:

6 §7907-A. Methodology for reimbursement on reasonable
7 cost basis

8 The department shall develop, in consultation with
9 provider and consumer groups, a methodology for
10 reimbursing boarding care facilities on the basis of
11 their reasonable costs for providing services. This
12 methodology shall be submitted to the joint standing
13 committee of the Legislature having jurisdiction over
14 human resources on or before February 1, 1989, setting
15 forth the proposed elements of the methodology,
16 together with any proposed legislation necessary to
17 establish the methodology. The report shall also
18 include proposed regulations in draft form necessary
19 to implement the proposed methodology.

20 §7907-B. Removal of the ceiling on boarding care
21 facility routine services

22 The department shall remove the ceiling on routine
23 services for all boarding care facilities that have
24 difficulty recruiting and retaining staff.

25 Emergency clause. In view of the emergency
26 cited in the preamble, this Act shall take effect when
27 approved.

28 STATEMENT OF FACT

29 Boarding care facilities in many parts of the
30 State are experiencing great difficulty in attracting
31 and retaining qualified staff. One of the reasons is
32 the inability of boarding care facilities to pay a
33 reasonable area wage to attract qualified personnel.
34 This is due to the existing reimbursement structure
35 which imposes a monthly payment "ceiling" on the
36 recognition of otherwise reasonable costs.

1 This bill amends the Maine Revised Statutes, Title
2 22, chapter 1665, to require that boarding care
3 facility cost based reimbursement be reimbursed for
4 the reasonable costs of operating the facility. The
5 bill requires the Department of Human Services to
6 develop, after consultation with provider and consumer
7 groups, a methodology for reimbursing boarding care
8 facilities on the basis of their reasonable costs for
9 providing services. This methodology will be reported
10 to the joint standing committee of the Legislature
11 having jurisdiction over human resources.

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