



114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 912

S.P. 342

In Senate, March 23, 1989

Reference to the Committee on Human Resources suggested and ordered printed.

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JOY J. O'BRIEN Secretary of the Senate

Presented by Senator CLARK of Cumberland.

Cosponsored by Representative HICKEY of Augusta, Representative MANNING of Portland and Senator GILL of Cumberland.

STATE OF MAINE

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

An Act to Require Nursing Facilities to File Notice of Intent to Withdraw from the Medicaid Program and to Ensure the Continuing Provision of Services to all Residents in the Facility at the Time of Withdrawal.

1	Be it enacted by the People of the State of Maine as follows:
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5	22 MRSA §1822, as enacted by PL 1971, c. 281, is repealed and the following enacted in its place:
7	§1822. Notice when nursing home voluntarily closes
9	1. Voluntary closing. Any person, including county or local government units, who is conducting, managing or operating
11	any hospital, sanatorium, convalescent home, rest home, nursing home or institution within the meaning of this chapter, and who
13	is properly licensed for that purpose, in accordance with this chapter, shall give at least 30 days' advance notice of the
15	voluntary closing of that facility to the patients in the facility and to those persons, governmental units or institutions
17	who are primarily responsible for the welfare of those patients who are being cared for by that hospital, sanatorium,
19	convalescent home, rest home, nursing home or institution so that adequate preparation may be made for the orderly transfer of the
21	patients to another qualified facility.
23	<u>Any person who fails to provide this notice shall be punished by a fine of not more than \$100 or by imprisonment for not more than</u>
25	<u>90 days.</u>
27 29	2. Withdrawal from Medicaid program. Any skilled nursing or intermediate care facility currently certified to participate in the Medicaid program may not voluntarily withdraw from the
31	program unless all of the following conditions are met.
33	A. The facility shall file with the Department of Human Services a notice of intent to withdraw from the Medicaid program, providing at least 30 days' notice prior to the
35	date of withdrawal.
37	<u>B. Except for patients transferred or discharged for</u> medical reasons, or for patients' health or safety or that
39	of other patients, or for nonpayment, the facility shall not subsequently evict any Medicaid or private pay resident in
41	<u>the facility as of the day the notice of intent to withdraw</u> from the Medicaid program is filed.
43	C. Residents admitted to the facility on or after the date
45	of the notice of intent to withdraw from the Medicaid program shall be informed orally and clearly in writing of
47	the following:
49	(1) That the facility withdrew from the Medicaid program as of a specific date;
51	(2) That the facility will wat the sector by the
53	(2) That the facility will not thereafter be able to serve a resident who becomes eligible for Medicaid; and

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(3) For residents who enter the facility following 1 notice of intent to withdraw, the nursing facility shall plan an orderly discharge for those residents who 3 subsequently exhaust their private funds and are subject to discharge. 5 7 The facility may formally withdraw from the Medicaid D. program when all private and public residents that are living in the facility on the date that notice of intent to 9 withdraw is filed no longer reside in the facility. 11 E. At the time of the withdrawal from the Medicaid program, the facility shall commence a series of payments to the 13 Medicaid program to compensate for the funds reimbursed to the facility to recapture depreciation, less any credits 15 earned at that time. These payments will be maintained in an escrow account by the State until the facility ownership 17 is transferred, or until the credits allowed exceed the depreciation recapture held in escrow, at which time the 19 funds will be returned to the provider. 21 Following a nursing facility's withdrawal from the F. Medicaid program, the Department of Human Services shall 23 initiate procedures to reallocate the number of beds to 25 other nursing facilities in high priority areas of the State. 27 G. The Department of Human Services shall notify the State's long-term care ombudsman monthly as to which facilities have filed a notice of intent to withdraw from 29 the Medicaid program. The information shall also be made available to the public. 31

STATEMENT OF FACT

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This bill requires the Department of Human Services to 37 require nursing facilities, both skilled and intermediate care, to file a notice of intent to withdraw from the Medicaid 39 Those facilities will also be required to continue to program. 41 provide care, with specified exceptions, to all residents, regardless of payment source, residing in the nursing facility at the time of filing the notice of intent to withdraw. Once notice 43 has been filed, residents will be provided with clear notice that 45 the nursing home will not continue to care for them once private resources are exhausted, and the nursing home will provide for an 47 orderly transfer to an appropriate care facility. The nursing facility will repay on a regular schedule any funds reimbursed by the Medicaid program to the nursing facility to recapture 49 The Department of Human Services will reallocate depreciation. the beds thus made available to other facilities in high priority 51 areas of the State.

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