

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 1172

H.P. 840

House of Representatives, April 13, 1989

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

Ed Pert

EDWIN H. PERT, Clerk

Presented by Representative CARROLL of Gray.

Cosponsored by Speaker MARTIN of Eagle Lake, Senator TITCOMB of Cumberland and Representative FOSTER of Ellsworth.

STATE OF MAINE

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

An Act to Ensure Payment of Reasonable Costs of Operating
Community-based Facilities for the Mentally Retarded.

(EMERGENCY)



1 **Emergency preamble.** Whereas, Acts of the Legislature do not
2 become effective until 90 days after adjournment unless enacted
3 as emergencies; and

5 **Whereas,** reimbursement for community-based services for
6 persons with mental retardation is inadequate to cover the cost
7 of those services, particularly in the area of direct service
8 staff recruitment and retention; and

9 **Whereas,** the Bureau of Mental Retardation's budget for
11 fiscal year 1989-90 and fiscal year 1990-91 contains no
12 cost-of-living increases for community-based services; and

13 **Whereas,** there have been no cost-of-living adjustments in
14 payments for community-based services for the past 2 years and
15 providers of these services need to receive additional funding
16 immediately; and

17 **Whereas,** in the judgment of the Legislature, these facts
18 create an emergency within the meaning of the Constitution of
19 Maine and require the following legislation as immediately
20 necessary for the preservation of the public peace, health and
21 safety; now, therefore,

22
23
24 **Be it enacted by the People of the State of Maine as follows:**

25
26 **Sec. 1. 34-B MRSA §5435, sub-§2, ¶D is enacted to read:**

27
28 D. The bureau shall consider the reasonable costs of
29 providing mental retardation services and shall adjust
30 annually the rate of payment for a unit of service,
31 effective as of July 1st, by the estimated percentage
32 increase in the cost of goods and services purchased by
33 health care facilities published by Data Resources, Inc. as
34 of January 1st for that year. A similar adjustment shall be
35 made in cases when the bureau provides matching or seed
36 funds.

37
38 **Sec. 2. Appropriation.** The following funds are appropriated
39 from the General Fund to carry out the purposes of this Act.

	1989-90	1990-91
MENTAL HEALTH AND MENTAL RETARDATION, DEPARTMENT OF		
Mental Retardation Services - Community		
All Other	\$1,351,961	\$616,685

1 Provides funds for
3 cost-of-living increases to
5 provider agencies and
7 increases their ability to
9 recruit and retain qualified
11 direct service and related
13 staff persons.

11 **Emergency clause.** In view of the emergency cited in the
13 preamble, this Act shall take effect when approved.

15 STATEMENT OF FACT

17 The cost of operating community-based day and residential
19 facilities and providing habilitation services to persons with
21 developmental disabilities is increasing by more than what the
23 Bureau of Mental Retardation is allocated for funding. The
25 effects of the cost increases are most pronounced in the area of
27 direct service staff retention and recruitment.

29 The Advisory Committee on Staff Retention recommended
31 legislation to provide for base wage increases for direct service
33 staff of day habilitation facilities; however, there was
35 insufficient time when its report was submitted last April for
37 full legislative consideration of the bill.

39 A 1987 survey by the bureau found a statewide average
41 turnover rate of 51% at an average wage of \$5.84 an hour and as
43 high as about 58% when wages were below average.

45 The appropriation requested will enable affected facilities
47 to increase base wages for direct service staff to the
49 competitive rate of \$6.30 an hour, and to make corresponding
adjustments in related staff wages and salaries. This base wage
for entry-level staff which requires a high school degree and no
experience is less than what is paid by the State for these
persons. It is comparable to that paid by other health care
facilities that seek people with this career interest and that
compete for the same limited pool of workers.

The statutory change will enable the Bureau of Mental
Retardation to make annual adjustments in payments to providers
to reflect changes in the cost of health care services as
measured by Data Resources, Inc. The Data Resources, Inc. index
is used elsewhere in Maine law and by many other states for
adjustments to provider payments.