

# MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1173, L.D. 1650, Bill, "An Act to Optimize the Utility of the 5 Maine Veterans' Homes"

Amend the bill by striking out all of section 1.

Further amend the bill in section 3 in that part designated "§607." by striking out all of the last underlined sentence (page 2, lines 11 to 14 in L.D.)

Further amend the bill by inserting after section 6 the following:

Sec. 7. 37-B MRSA §610-B is enacted to read:

§610-B. Use of stipend funds

The Maine Veterans' Homes shall expend stipend funds received pursuant to section 610-A first on the payment of debt service on, or the setting aside of funds irrevocably to repay as soon as possible, the outstanding principal amount of the bonded indebtedness of the homes and the bonded indebtedness of the State on which the homes are obligated to pay debt service. Any interest earned on funds set aside irrevocably to repay such bonded indebtedness must be credited to the General Fund.

Annually, at the beginning of each fiscal year, the Maine Veterans' Homes shall prepare and file with the Department of Human Services a written work plan for the use of its anticipated financial resources including stipend funds in that fiscal year.

The Board of Trustees of the Maine Veterans' Homes in conjunction with the Commissioner of Human Services may agree to

COMMITTEE AMENDMENT

develop additional requirements regarding operation of the homes as needed.

**Sec. 8. Study on possible conversion of beds.** Prior to June 30, 1998, the Maine Veterans' Homes, in consultation with the Department of Human Services, shall complete a comprehensive study of the possible conversion of the use of beds at its various facilities from skilled nursing care to residential care.

**Sec. 9. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Act.

1997-98                      1998-99

**HUMAN SERVICES, DEPARTMENT OF**

**Medical Care - Payments to Providers**

All Other                                      \$835,178                      \$1,138,665

Provides funds to replace veterans' stipend funds that will be retained by the Board of Trustees of the Maine Veterans' Homes and no longer used to offset Medicaid program costs.

**Sec. 10. Allocation.** The following funds are allocated from the Federal Expenditure Fund to carry out the purposes of this Act.

1997-98                      1998-99

**HUMAN SERVICES, DEPARTMENT OF**

**Medical Care - Payments to Providers**

All Other                                      \$1,582,824                      \$2,214,294

Provides funds to replace veterans' stipend funds that will be retained by the Board of Trustees of the Maine Veterans' Homes and no longer used to offset Medicaid program costs.'

2 Further amend the bill by relettering or renumbering any  
3 nonconsecutive Part letter or section number to read  
4 consecutively.

6 Further amend the bill by inserting at the end before the  
7 summary the following:

10 **FISCAL NOTE**

	1997-98	1998-99
<b>14 APPROPRIATIONS/ALLOCATIONS</b>		
16 General Fund	\$835,178	\$1,138,665
17 Other Funds	1,582,824	2,214,294
<b>18 REVENUES</b>		
20 Other Funds	\$1,582,824	\$2,214,294

22 The Department of Human Services will require additional  
23 General Fund appropriations of \$835,178 and \$1,138,665 in fiscal  
24 years 1997-98 and 1998-99, respectively, and Federal Expenditure  
25 Fund allocations of \$1,582,824 and \$2,214,294 in fiscal years  
26 1997-98 and 1998-99, respectively, to replace the stipend  
27 payments that are currently received by the department and  
28 applied to reduce state and federal Medicaid program costs.

30 The department may also experience future General Fund and  
31 Federal Expenditure Fund savings from an increase in estate  
32 recoveries resulting from higher Medicaid costs for certain Maine  
33 Veterans' Homes residents.

36 If the Maine Veterans' Homes prepay the principal amount of  
37 their outstanding debt to the Office of the Treasurer of State,  
38 additional General Fund revenue from interest earnings will  
39 result. The amount and timing of the additional earnings can not  
40 be determined at this time.

42 The impact this bill has on the Maine Veterans' Homes'  
43 ability to repay amounts owed the Department of Human Services  
44 can not be determined. This estimate assumes that this bill will  
45 not affect the Maine Veterans' Homes' obligation to repay amounts  
46 owed the Department of Human Services.'

R. G. S.

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**SUMMARY**

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This amendment strikes out the language regarding Medicaid eligibility standards. This amendment also adds requirements for any funds received from the stipend funds and requires the Maine Veterans' Homes to complete by June 30, 1998 a study of the feasibility of converting additional beds at its facilities to residential care beds. The amendment adds a fiscal note.