

MAINE STATE LEGISLATURE

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R. of S.

L.D. 2161

DATE: 3-10-98

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HEALTH AND HUMAN SERVICES

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1534, L.D. 2161, "Resolve, to Provide Supplemental Funding for the Commission to Examine Rate Setting and the Financing of Maine's Long-term Care Facilities"

Amend the resolve by striking out the title and substituting the following:

'Resolve, to Extend the Commission to Examine Rate Setting and the Financing of Maine's Long-term Care Facilities'

Further amend the resolve by striking out everything after the emergency preamble and before the emergency clause and inserting in its place the following:

'Sec. 1. Resolve 1997, c. 81, §2 is amended to read:

Sec. 2. Commission membership. Resolved: That, except as provided in section 2-A, the commission consists of the following 15 members:

1. Two members of the Senate, appointed by the President of the Senate, one representing the majority party and one representing the minority party;

2. Two members of the House of Representatives, appointed by the Speaker of the House, one representing the majority party and one representing the minority party; and

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3. Eleven other members appointed as follows:

A. The following members appointed by the Governor:

(1) The chair, who must have experience with rate setting;

(2) One representative of the Department of Human Services;

(3) One representative of the Long-term Care Steering Committee;

(4) One representative of the Maine Health and Higher Educational Facilities Authority; and

(5) One representative of a commercial lending institution; and

B. The following members appointed jointly by the President of the Senate and the Speaker of the House of Representatives:

(1) One representative of the long-term care ombudsman program;

(2) One representative of the Maine Health Care Association;

(3) One representative of the Maine Hospital Association;

(4) One representative of providers of long-term care services who is familiar with the principles of reimbursement;

(5) One representative of consumers of long-term care services who is familiar with the principles of reimbursement; and

(6) One representative of the American Association of Retired Persons; and be it further

Sec. 2. Resolve 1997, c. 81, §2-A is enacted to read:

Sec. 2-A. Additional member. That, after the effective date of this section, the Speaker of the House of Representatives shall appoint one additional member of the commission who represents consumers of nursing facility services; and be it further

2 **Sec. 3. Resolve 1997, c. 81, §§3, 4 and 7** are amended to read:

4 **Sec. 3. Appointments; meetings. Resolved:** That, except as
 6 provided in section 2-A, all appointments must be made no later
 8 than 30 days following the effective date of this resolve. The
 10 Executive Director of the Legislative Council must be notified by
 all appointing authorities once the selections have been made.
 Within 15 days after appointment of all members, the Chair of the
 Legislative Council shall call and convene the first meeting of
 the commission; and be it further

12 **Sec. 4. Duties. Resolved:** That the commission shall examine
 14 the following issues concerning long-term care facilities:

16 1. The setting of rates for the different payers ~~within the~~
 18 ~~long-term-care-system~~ for nursing facility services, including
 monthly charges and charges for resident services and supplies,
 and ensuring affordability;

20 2. The levels of profit guaranteed by the rate of
 22 reimbursement, a comparison of rates among the different states
 and financial stability within the system;

24 3. The advisability of rate equalization between private
 26 and public payers, implementation of rate equalization and what
 the possible benefits and detriments might be for nursing
 28 facility residents;

30 4. The case mix payment system for private paying patients;

32 5. The possibility of regulating the ~~long-term-care~~ nursing
 34 facility industry in the manner of regulating public utilities;
 and

36 6. The relationship between staffing levels and quality of
 care and maintaining high-quality care; ~~and-be-it-further~~

38 7. Mechanisms for providing consumer participation in
 40 decisions on the reimbursement for nursing facility care under
the Medicaid program; and

42 8. Salaries, dividends and management fees in nursing
 44 facilities; and be it further

46 **Sec. 7. Report. Resolved:** That the commission shall submit
 its report, together with any necessary implementing legislation,
 48 to the ~~Second-Regular-Session-of-the~~ 118th Legislature no later
 than ~~December-15,-1997~~ November 20, 1998. If the commission
 requires an extension, it may apply to the Legislative Council,
 50 which may grant the extension; and be it further

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2 **Sec. 4. Retroactivity.** That section of this Act that amends
Resolve 1997, c. 81, section 7 applies retroactively to December
15, 1997.

4 **Sec. 5. Appropriation. Resolved:** That the following funds are
6 appropriated from the General Fund to carry out the purposes of
this resolve.

8 **1997-98**

10

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**Commission to Examine Rate Setting
14 and the Financing of Maine's Long-term
16 Care Facilities**

16

18	Personal Services	\$ 3,520
	All Other	6,480

20

Provides funds for the per diem and expenses
of legislative members, funding for
22 consultants and miscellaneous costs of the
Commission to Examine Rate Setting and the
24 Financing of Maine's Long-term Care
Facilities.

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TOTAL

\$10,000'

30

32 Further amend the resolve by inserting at the end before the
summary the following:

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FISCAL NOTE

36

1997-98

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APPROPRIATIONS/ALLOCATIONS

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42	General Fund	\$10,000
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The Legislature will require a General Fund appropriation of
\$10,000 in fiscal year 1997-98 for the per diem and expenses of
46 legislative members, consulting services and miscellaneous costs
of the Commission to Examine Rate Setting and the Financing of
48 Maine's Long-term Care Facilities. The Legislature will incur
some minor additional costs to provide staffing assistance to the
50 commission. These costs can be absorbed within the Legislature's
existing budgeted resources.

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2 The additional costs associated with participating on the
Commission to Examine Rate Setting and the Financing of Maine's
4 Long-term Care Facilities can be absorbed by the Department of
Human Services utilizing existing budgeted resources.'

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SUMMARY

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10 This amendment replaces the resolve. It retains the
provisions of the resolve that extend the existence of the
12 Commission to Examine Rate Setting and the Financing of Maine's
Long-term Care Facilities and appropriates \$10,000 for the
14 expenses of the commission. It adds provisions that change the
focus of the study from long-term care to nursing facility care,
16 adds one consumer representative and adds to the duties of the
commission the responsibility to study mechanisms to provide
consumer input into the reimbursement mechanism for Medicaid
18 reimbursement and salaries, dividends and management fees in
nursing facilities. The amendment also adds a fiscal note.

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