

MAINE STATE LEGISLATURE

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HEALTH AND HUMAN SERVICES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 853, L.D. 1125, "Resolve, Directing the Department of Human Services to Adjust the Cap on Direct-care Staff Costs for Residential Care Facilities"

Amend the resolve by striking out everything after the title and before the summary and inserting in its place the following:

Sec. 1. Reimbursement for residential care facilities. Resolved: That the Department of Human Services shall amend the rules regarding reimbursement for residential care facilities to provide for increases in the cap on direct-care costs. The cap increase must allow for an inflation adjustment applicable to the industry and specific to the region of the State in which the facility is located. The new methodology must reimburse facilities for staff salaries so that the facilities may attract and retain employees in higher-cost areas of the State; and be it further

Sec. 2. Appropriation. Resolved: That the following funds are appropriated from the General Fund to carry out the purposes of this resolve.

	2001-02	2002-03
HUMAN SERVICES, DEPARTMENT OF		
Medical Care - Payments to Providers		
All Other	\$365,766	\$533,585
Provides funds to amend the rules regarding reimbursement		

2 for residential care
3 facilities to increase the
4 cap on direct care costs to
5 allow for an inflation
6 adjustment applicable to the
7 industry and specific to the
8 region of the State in which
9 the facility is located.

10 ; and be it further

12 **Sec. 3. Allocation. Resolved:** That the following funds are
13 allocated from the Federal Expenditures Fund to carry out the
14 purposes of this resolve.

16 **2001-02 2002-03**

18 **HUMAN SERVICES, DEPARTMENT OF**

20 **Medical Care - Payments to Providers**

22 All Other \$724,932 \$1,063,017

24 Allocates funds for the
25 federal match to amend the
26 rules regarding reimbursement
27 for residential care
28 facilities to increase the
29 cap on direct care costs to
30 allow for an inflation
31 adjustment applicable to the
32 industry and specific to the
33 region of the State in which
34 the facility is located.'

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

40 **'FISCAL NOTE**

42 **2001-02 2002-03**

44 **APPROPRIATIONS/ALLOCATIONS**

46 General Fund \$365,766 \$533,585
Other Funds 724,932 1,063,017

2 **REVENUES**

4 Other Funds \$724,932 \$1,063,017

6 This resolve includes General Fund appropriations of
8 \$365,766 and \$533,585 in fiscal years 2001-02 and 2002-03,
10 respectively, for the Medical Care - Payments to Providers
12 program within the Department of Human Services to amend the
14 rules regarding reimbursement for residential care facilities
under the Medicaid program to increase the cap on direct care
costs to allow for an inflation adjustment applicable to the
industry and specific to the region of the State in which the
facility is located.

16 These estimates are based on an additional inflation
18 adjustment of approximately 3.0% in fiscal years 2001-02 and
2002-03. The total cost of this measure may be higher or lower
depending on actual inflationary experience.

20 This resolve includes Federal Expenditures Fund allocations
22 of \$724,932 and \$1,063,017 in fiscal years 2001-02 and 2002-03,
24 respectively, for the federal match.'

26 **SUMMARY**

28 This amendment strikes the resolve and directs the
30 Department of Human Services to amend the rules regarding
32 reimbursement for residential care facilities under the Medicaid
34 program to increase the cap on direct-care costs. It requires an
inflation adjustment applicable to the industry and specific to
the region of the State in which the facility is located. It
adds appropriation and allocation sections and a fiscal note.