

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 373

H.P. 293

House of Representatives, January 30, 2003

**An Act Eliminating the Receipt by the Maine Veterans' Homes of
Any Reimbursement from the MaineCare Program for the Costs of
Renovating the Existing 120-bed Maine Veterans' Homes Nursing
Facility in Augusta**

(AFTER DEADLINE)

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Speaker COLWELL of Gardiner.
Cosponsored by Senator GAGNON of Kennebec and
Representatives: BRUNO of Raymond, CLARK of Millinocket, DUPLESSIE of Westbrook,
RICHARDSON of Brunswick, Senators: President DAGGETT of Kennebec, DAVIS of
Piscataquis, TREAT of Kennebec, WOODCOCK of Franklin.

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

4
6 **Whereas,** the existing 120-bed nursing facility of the Maine
Veterans' Homes in Augusta is almost 20 years old; and

8 **Whereas,** significant renovations must be made to that
facility, such as renovations to ensure continued compliance with
10 life safety codes, to remove asbestos, to replace heating
systems, to replace windows and to replace the facility's roof;
12 and

14 **Whereas,** the Maine Veterans' Homes has proposed these
renovations to its Augusta nursing facility in the amount of
16 \$2,794,787; and

18 **Whereas,** the Maine Veterans' Homes can guarantee a contract
price of \$2,794,787 on these renovations to its Augusta nursing
20 facility if it acts by February 17, 2003; and

22 **Whereas,** the Maine Veterans' Homes has secured federal
funding in the amount of 65% of the costs of the renovations; and

24 **Whereas,** the Maine Veterans' Homes will lose its federal
26 funding for the proposed renovations to its Augusta nursing
facility if it can not proceed with a contract for the
28 renovations in a timely manner; and

30 **Whereas,** the proposed renovations to the Augusta nursing
facility of the Maine Veterans' Homes are subject to the Maine
32 Certificate of Need Act of 2002; and

34 **Whereas,** on January 22, 2002, the Maine Veterans' Homes
filed with the Department of Human Services a certificate of need
36 application dated January 14, 2002 seeking approval for the
proposed renovations to the nursing facility; and

38 **Whereas,** the Department of Human Services has not yet acted
40 on the certificate of need application; and

42 **Whereas,** the Maine Certificate of Need Act of 2002 states "A
nursing facility project that proposes renovation, replacement or
44 other actions that will increase Medicaid [MaineCare] costs may
be approved only if appropriations have been made by the
46 Legislature expressly for the purpose of meeting those costs"; and

48 **Whereas,** the Maine Veterans' Homes does not wish the
proposed renovations to its Augusta nursing facility to increase

2 MaineCare costs to the State and, accordingly, wishes to forego
the receipt of any reimbursement from the State for the costs of
4 those renovations; and

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

12 **Be it enacted by the People of the State of Maine as follows:**

14 **Sec. 1. Certificate of need; MaineCare.** The following provisions
apply with regard to a certificate of need application filed on
16 January 22, 2002 by the Maine Veterans' Homes to renovate an
existing 120-bed nursing facility at Augusta.

18 1. The Department of Human Services may not reimburse
through the MaineCare program the Maine Veterans' Homes for any
20 short-term or long-term costs associated directly or indirectly
with the renovations detailed in the certificate of need
22 application filed.

24 2. The provisions of the Maine Revised Statutes, Title 22,
section 334 that require an appropriation for the express purpose
26 of meeting the costs of a nursing facility project for which a
certificate of need has been filed do not apply to the
28 certificate of need application.

30 **Emergency clause.** In view of the emergency cited in the
preamble, this Act takes effect when approved.
32

34 SUMMARY

36 The purpose of this bill is to eliminate the receipt by the
Maine Veterans' Homes of any reimbursement from the MaineCare
38 Program for the costs of effecting life safety and other
renovations to the existing 120-bed Maine Veterans' Homes nursing
40 facility in Augusta in connection with a certificate of need
application dated January 14, 2002 and filed by the Maine
42 Veterans' Homes with the Department of Human Services on January
22, 2002. Because the bill precludes the Maine Veterans' Homes
44 from receiving any MaineCare reimbursement for the cost of such
renovations, the bill eliminates the need for the Legislature to
46 appropriate funds to meet the costs of such renovations pursuant
to the Maine Revised Statutes, Title 22, section 334 and allows
48 the Department of Human Services to act on the certificate of
need application, without appropriations first having been made
50 for such renovations under Title 22, section 334. The bill also

2 prevents the loss of approximately \$1,800,000 in federal
3 construction funds related to such renovations, and the bill
4 saves the State up to \$2,794,787 in MaineCare reimbursements for
5 the costs of such renovations, which otherwise would be payable
6 to the Maine Veterans' Homes in installments over the useful life
of such renovations.