

# MAINE STATE LEGISLATURE

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AUG

L.D. 796

DATE: 4.15.03

(Filing No. S-55)

**INSURANCE AND FINANCIAL SERVICES**

Reported by:

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**STATE OF MAINE  
SENATE  
121ST LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 275, L.D. 796, Bill, "An Act Relating to Existing Life-care Communities Licensed by the Superintendent of Insurance"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

Sec. 1. 24-A MRSA §6203, sub-§6, as amended by PL 1997, c. 478, §1, is further amended to read:

**6. Provision of services to nonresidents.** The final certificate of authority must state whether any skilled nursing facility that is part of a life-care community or a continuing care retirement community may provide services to persons who have not been bona fide residents of the community prior to admission to the skilled nursing facility. If the life-care community or the continuing care retirement community admits to its skilled nursing facility only persons who have been bona fide residents of the community prior to admission to the skilled nursing facility, then the community is exempt from the provisions of Title 22, chapter ~~403~~ 103-A, but is subject to the licensing provisions of Title 22, chapter 405, and is entitled to only one skilled nursing facility bed for every 4 residential units in the community. Any community exempted under Title 22, chapter ~~403~~ 103-A may admit nonresidents of the community to its skilled nursing facility only during the first 3 years of operation. For purposes of this subsection, a "bona fide resident" means a person who has been a resident of the community for a period of not less than 180 consecutive days immediately preceding admission to the nursing facility or has been a

**COMMITTEE AMENDMENT**

resident of the community for less than 180 consecutive days but who has been medically admitted to the nursing facility resulting from an illness or accident that occurred subsequent to residence in the community. Any community exempted under Title 22, chapter ~~103~~ 103-A is not entitled to and may not seek any reimbursement or financial assistance under the Medicaid MaineCare program from any state or federal agency and, as a consequence, that community must continue to provide nursing facility services to any person who has been admitted to the facility.

Notwithstanding this subsection, a life-care community that holds a final certificate of authority from the superintendent and that was operational on November 18, 2002 and that is barred from seeking reimbursement or financial assistance under the MaineCare program from a state or federal agency may continue to admit nonresidents of the community to its skilled nursing facility after its first 3 years of operation with the approval of the superintendent. A life-care community that admits nonresidents to its skilled nursing facility as permitted under this subsection may continue to admit nonresidents after its first 3 years of operation only for such period as approved by the superintendent after the superintendent's consideration of the financial impact on the life-care community and the impact on the contractual rights of subscribers of the community.'

**SUMMARY**

This amendment replaces the bill. It clarifies that a life-care community that holds a final certificate of authority from the Superintendent of Insurance and that was operational on November 18, 2002 and that is prohibited by the Maine continuing care retirement community laws from seeking reimbursement or financial assistance under the MaineCare program from a state or federal agency as part of its commitment to provide life care to its residents may continue to admit nonresidents to its nursing facility after its first 3 years of operation only for such period as approved by the Superintendent of Insurance.

**FISCAL NOTE REQUIRED**  
**(See attached)**

Approved: 04/03/03 *MAC*

**121st Maine Legislature  
Office of Fiscal and Program Review**



**LD 796**

**An Act Relating to Existing Life-care Communities Licensed by the  
Superintendent of Insurance**

**LR 1594(02)**

**Fiscal Note for Bill as Amended by Committee Amendment "A" S-55**

**Committee: Insurance and Financial Services**

**Fiscal Note Required: Yes**

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**Fiscal Note**

Minor cost increase - Other Special Revenue Funds