MAINE STATE LEGISLATURE

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L.D. 1293

2	DATE: 5-20-03	(Filing No. S-220)
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6	HEALTH AND HUMAN SERVICES	
8	Reported by:	
10	Reproduced and distributed under the of the Senate.	e direction of the Secretary
12	STATE OF MAINE SENATE 121ST LEGISLATURE FIRST REGULAR SESSION	
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18	COMMITTEE AMENDMENT "A" to S.E	o 424 î.D. 1203 Bill "An
20	Act To Improve the Fairness of the	
22	Reforms"	
24	Amend the bill by striking out inserting in their place the following	
26	'Sec. 1. 36 MRSA §2871, sub-§2, as enacted by PL 2001, c. 714, Pt. CC, §3 and affected by §8, is amended to read:	
30	2. Annual net operating reversely revenue means gross charges less an	
32	as bad debts, charity care or payer generally accepted accounting princip	
34	Further amend the bill in secti	-
36	" <u>\$2872.</u> " in subsection 1 in paragraph line 31 in L.D.) by striking out the	
38	inserting in its place the following:	'the corresponding'
40	Further amend the bill in secting "§2872." in subsection 2 in paragraph	
42	line 49 in L.D.) by striking out the inserting in its place the following:	e following: "each full" and
44	Further amend the bill by strik	ing out all of section 8 and
46	inserting in its place the following:	
48	'Sec. 8. 36 MRSA §2873, sub-§1, as Pt. CC, §3 and affected by §8, is ame	
50	10. 50, 30 and affected by 30, 15 ane	nada co read.

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Monthly returns required; payment of estimated tax 2 liability. On or before the 15th day of each month, each person subject to the tax imposed by this chapter shall submit to the assessor a return on a form prescribed and furnished by the Each return must be accompanied by a payment of an assessor. amount equal to 1/12 of the person's estimated tax liability for the entire current state fiscal year or facility fiscal year or, in the case of a facility taxed on the basis of a partial facility fiscal year after June 30, 2003, an amount equal to a 10 fraction of the estimated liability in which the denominator is the number of months remaining in the facility fiscal year and 12 the numerator is one. A person may estimate its tax liability for the current state fiscal year or facility fiscal year by applying the tax rates provided by section 2872 to the most 14 recent state fiscal year or facility fiscal year for which relevant-taxable-revenues-have-been-finally-determined-and-are-ne 16 lenger--open--te--adit--adjustment--or-eerreetien a Medicaid cost 18 report has been finally settled and is no longer open to audit adjustment or correction, previded--that as long as the fiscal 20 year in question began no earlier than 3 years prior to the beginning of the current fiscal year: in the event that the 22 information necessary to prepare this estimate is not available, an estimate may be prepared on the basis of the reconciliation 24 return most recently submitted or, if the first such return has not yet been filed, then on the basis of the revenues formally reported by the facility in accordance with generally accepted 26 accounting principles. Regardless of the method used for preparing the estimate, the estimate may include adjustments to 28 reflect changes in the number of licensed or certified beds or extraordinary changes in payment rates. Once a taxpayer has made 30 its first monthly payment for a state fiscal year or facility fiscal year pursuant to this subsection, the monthly amount must 32 remain fixed throughout the fiscal year unless the assessor 34 authorizes a change. If the person's estimated annual tax liability as reported and paid pursuant to this subsection does not equal the tax imposed on that person by section 2872, any 36 adjustments necessary to reconcile the estimated tax with the correct tax amount must be made pursuant to subsection 2.' 38

Further amend the bill by striking out all of sections 10, 11, 12 and 13 and inserting in their place the following:

'Sec. 10. 36 MRSA §2873, sub-§3, as enacted by PL 2001, c. 714, Pt. CC, §3 and affected by §8, is amended to read:

3. Audit period to remain open; accrual of penalties and interest. Notwithstanding any other provision of law, the tax imposed against a person by section 2872 for any fiscal year remains open to audit and further assessment by the assessor until the person's taxable revenues for that fiscal year have

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COMMITTEE AMENDMENT

been-finally determined completion of the audit of the Medicaid cost report or reports for the fiscal year. Any underestimates of tax liability reported and paid pursuant to subsection 1 are subject to an assessment of interest at the rate provided in section 186 from the date or dates of underpayment until payment is made, unless the estimated tax liability was calculated by applying-the-tax-rates-provided-by-section-2872-to-the-most recent-fiscal-year-for-which-relevant-taxable-revenues-have-been finally-determined in compliance with the standards provided in subsection 1, in which case no interest may accrue prior to the date on which the reconciliation return for the year is due. amount of tax that is reported on a reconciliation return required by subsection 2 but not paid at the time the reconciliation return is filed is subject to the accrual of interest as provided by section 186, as well as to any applicable provisions of section 187-B, including, without limitation, the penalty provided by section 187-B, subsection 2 for failure to pay a tax.

Sec. 11. Long-term care financing. The Joint Standing Committee on Health and Human Services may consider the issue of long-term care financing, including dedication to long-term care of all or any portion of the health care provider tax and revenues attributable to that tax under the Maine Revised Statutes, Title 36, section 2873 and statutory requirements specifying enhanced reimbursement levels for long-term care providers, during the Second Regular Session of the 121st Legislature and may report out a bill on long-term care financing to the Second Regular Session of the 121st Legislature.'

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

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SUMMARY

This amendment removes from the bill the provisions that would have dedicated most of the health care provider tax revenues to long-term care purposes. It corrects language regarding auditing and accounting procedures. The amendment authorizes the Joint Standing Committee on Health and Human Services to report out a bill on long-term care financing to the Second Regular Session of the 121st Legislature.

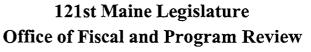
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FISCAL NOTE REQUIRED (See attached)

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Revised: 05/19/03 ///ac





An Act To Improve the Fairness of the Health Care Provider Tax and to Ensure Fair Implementation of Health Care Reimbursement Reforms



Fiscal Note for Bill as Amended by Committee Amendment 4"5.226

Committee: Health and Human Services

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund

Fiscal Detail and Notes

Any additional costs to Maine Revenue Services and the Department of Human Services as a result of this bill can t absorbed utilizing existing budgeted resources.