



# **121st MAINE LEGISLATURE**

# **SECOND REGULAR SESSION-2004**

**Legislative Document** 

No. 1681

S.P. 613

In Senate, December 17, 2003

## An Act To Encourage Financial Efficiency of Facilities for Persons with Mental Retardation

(EMERGENCY)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Secretary of the Senate on December 16, 2003. Referred to the Committee on Health and Human Services pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 218.

JOY J. O'BRIEN Secretary of the Senate

Presented by President DAGGETT of Kennebec. Cosponsored by Representative DUDLEY of Portland and Senator: BROMLEY of Cumberland, Representatives: ADAMS of Portland, PINGREE of North Haven, SIMPSON of Auburn, SUSLOVIC of Portland. **Emergency preamble. Whereas,** Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, in July 2003, the Department of Human Services amended the principles of reimbursement for intermediate care facilities for persons with mental retardation to eliminate the incentive bonus payments awarded to facilities operating in an efficient and economical manner; and

Whereas, the immediate enactment of this legislation is necessary to reinstate the incentive bonus payments to ensure the continued operation of efficient and economically run intermediate care facilities for persons with mental retardation; and

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

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

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Sec. 1. 22 MRSA §3187-A is enacted to read:

### <u>§3187-A. Intermediate care facility efficiency incentive</u>

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An intermediate care facility for persons with mental retardation that limits its variable costs during the fiscal year to less than the amounts paid through the variable cost component of the final prospective rate is entitled to retain an incentive payment equal to 75% of the savings represented by the difference between the department's appropriate share of the intermediate care facility's allowable expenses and the amount paid by the department.

38 The amount of the incentive payment is determined upon final audit and is calculated in the determination of any overpayments
40 made by the department.

42 Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.
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#### **SUMMARY**

48 In July 2003, the Department of Human Services amended the principles of reimbursement for intermediate care facilities for persons with mental retardation to eliminate the provisions that

permitted operators of intermediate care facilities for the mentally retarded to retain 75% of the savings achieved by an economically and efficiently run facility. The bill establishes that provision as law.