

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 1261

H.P. 880

House of Representatives, March 31, 2009

**Resolve, To Require the Department of Health and Human Services
To Provide Cost-of-living Adjustments for Nursing Facilities and
Certain Medical and Remedial Private Nonmedical Institutions**

(EMERGENCY)

Reference to the Committee on Health and Human Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative MARTIN of Eagle Lake.
Cosponsored by Senator MARRACHÉ of Kennebec and
Representatives: CAIN of Orono, CLARK of Millinocket, HASKELL of Portland, Speaker
PINGREE of North Haven, PRIEST of Brunswick, WHEELER of Kittery, Senators:
BRANNIGAN of Cumberland, JACKSON of Aroostook.

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

3 **Whereas,** this resolve requires the Department of Health and Human Services to
4 provide cost-of-living adjustments for nursing facilities and medical and remedial private
5 nonmedical institutions for fiscal years 2009-10 and 2010-11; and

6 **Whereas,** the Department of Health and Human Services is directed to publish its
7 calculations of the cost-of-living adjustments no later than May 25, 2009; and

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

12 **Sec. 1. Cost-of-living adjustments for nursing facilities. Resolved:** That,
13 notwithstanding any other provision of law, the Department of Health and Human
14 Services shall provide a cost-of-living adjustment in each of the fiscal years 2009-10 and
15 2010-11 to nursing facilities that are reimbursed for certain costs under the sections of the
16 department's rules entitled "Principles of Reimbursement for Nursing Facilities," 10-144
17 Chapter 101, Chapter III, Section 67. The cost-of-living adjustment must be in the
18 following amounts:

19 1. Three percent for nursing facilities where 80% or more of the facility's annual
20 resident days are covered by MaineCare; and

21 2. One and a half percent for all other nursing facilities.

22 This cost-of-living increase must be applied to all components of the reimbursement
23 rate except the fixed cost component. The department shall publish its calculation of the
24 cost-of-living adjustment no later than May 25, 2009 for fiscal year 2009-10 and no later
25 than May 25, 2010 for fiscal year 2010-11. The department shall determine each facility's
26 annual resident days based on its last audited cost report; and be it further

27 **Sec. 2. Cost-of-living adjustments for certain medical and remedial**
28 **private nonmedical institutions. Resolved:** That, notwithstanding any other
29 provision of law, the Department of Health and Human Services shall provide a cost-of-
30 living adjustment in fiscal years 2009-10 and 2010-11 to medical and remedial private
31 nonmedical institutions that are reimbursed for room and board costs under the sections
32 of the department's rules entitled "Principles of Reimbursement for Residential Care
33 Facilities - Room and Board Costs," 10-144 Chapter 115 and under rules entitled "Private
34 Non-Medical Institution Services, Appendix C, Principles of Reimbursement for Medical
35 and Remedial Service Facilities" and "Appendix F, Principles of Reimbursement for
36 Non-Case Mixed Medical and Remedial Facilities," 10-144 Chapter 101, Chapter III,
37 Section 97. The cost-of-living adjustment must be provided in the following amounts:

38 1. Three percent for remedial private nonmedical institutions where 80% or more of
39 the facility's annual resident days are covered by MaineCare; and

1 2. One and a half percent for all other remedial private nonmedical institutions.

2 This cost-of-living increase must be applied to all components of the reimbursement
3 rate, except the capital cost component, per year per facility. The department shall publish
4 its calculation of the cost-of-living adjustment no later than May 25, 2009 for fiscal year
5 2009-10 and no later than May 25, 2010 for fiscal year 2010-11. The department shall
6 determine each facility's annual resident days based on its last audited cost report; and be
7 it further

8 **Sec. 3. Appropriations and allocations. Resolved:** That the following
9 appropriations and allocations are made.

10 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**

11 **Nursing Facilities 0148**

12 Initiative: Appropriates and allocates additional funds for the costs of providing a 3% or
13 1.5% cost-of-living adjustment applied to all components of the reimbursement rate,
14 except the fixed cost component, for the costs during fiscal years 2009-10 and 2010-11,
15 and incorporating that adjustment into the base going forward. The 3% cost-of-living
16 increase must be provided to nursing facilities where 80% or more of the facility's annual
17 resident days are covered by MaineCare. The 1.5% cost-of-living increase must be
18 provided to all other nursing facilities.

19	GENERAL FUND	2009-10	2010-11
20	All Other	\$1,234,000	\$2,490,000
21			
22	GENERAL FUND TOTAL	<u>\$1,234,000</u>	<u>\$2,490,000</u>
23			
24	FEDERAL EXPENDITURES FUND	2009-10	2010-11
25	All Other	\$2,291,000	\$4,624,000
26			
27	FEDERAL EXPENDITURES FUND TOTAL	<u>\$2,291,000</u>	<u>\$4,624,000</u>

28 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**

29 **State Boarding Homes 2009**

30 Initiative: Appropriates and allocates funds for the costs of a 3% cost-of-living
31 adjustment for fiscal years 2009-10 and 2010-11 for certain residential care facilities
32 where 80% or more of the facility's annual resident days are covered by MaineCare. A
33 1.5% cost-of-living adjustment must be provided for all other residential care facilities.

34	GENERAL FUND	2009-10	2010-11
35	All Other	\$763,000	\$1,547,000
36			
37	GENERAL FUND TOTAL	<u>\$763,000</u>	<u>\$1,547,000</u>
38			

1	FEDERAL EXPENDITURES FUND	2009-10	2010-11
2	All Other	\$1,417,000	\$2,872,000
3			
4	FEDERAL EXPENDITURES FUND TOTAL	<u>\$1,417,000</u>	<u>\$2,872,000</u>

5 **Emergency clause.** In view of the emergency cited in the preamble, this
6 legislation takes effect when approved.

7 **SUMMARY**

8 This bill requires the Department of Health and Human Services to provide nursing
9 facilities with cost-of-living adjustments in fiscal years 2009-10 and 2010-11. The
10 adjustment must be 3% for nursing facilities where 80% or more of the facility's annual
11 resident days are covered by MaineCare. A 1.5% adjustment must be provided for all
12 other nursing facilities.

13 The bill provides those residential care facilities that are reimbursed under
14 department rules with a cost-of-living adjustment in each of the fiscal years 2009-10 and
15 2010-11. The adjustment must be 3% for residential care facilities where 80% or more of
16 the facility's annual resident days are covered by MaineCare. The adjustment must be
17 1.5% for all other residential care facilities.

18 This bill also has an appropriations and allocations section.