

# MAINE STATE LEGISLATURE

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# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 1189

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H.P. 833

House of Representatives, March 26, 2013

**An Act Regarding Implementation of Cost-of-living Increases for  
Nursing Facilities**

(EMERGENCY)

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

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative GATTINE of Westbrook.

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,** Public Law 2011, chapter 411 requires that funds received from an  
4 increased provider tax be applied to provide cost-of-living reimbursement to nursing  
5 homes and to medical and remedial private nonmedical institutions in accordance with  
6 rules adopted by the Department of Health and Human Services; and

7           **Whereas,** this legislation specifies that for the first year such an adjustment is made,  
8 reimbursement may be made to facilities that provided a cost-of-living increase to its  
9 frontline employees in certain prior years; and

10           **Whereas,** in order to ensure this legislation is enacted in sufficient time to apply to  
11 the first year such an adjustment is made, it must be enacted as an emergency measure;  
12 and

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

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

18           **Sec. 1. 36 MRSA §2873, sub-§4, ¶A,** as amended by PL 2011, c. 411, §7, is  
19 further amended to read:

20           A. All revenues received by the assessor during the month pursuant to this chapter  
21 from nursing homes net of refunds must be credited to the Nursing Facilities Other  
22 Special Revenue funds account in the Department of Health and Human Services.  
23 Beginning October 1, 2011, the revenues received in each fiscal year that result from  
24 the increase in the tax rate from 5.5% to 6% pursuant to section 2872, subsection 1,  
25 paragraph E must be applied first to reimburse nursing homes for the MaineCare  
26 portion of the increased tax expense, and all remaining revenue resulting from the  
27 increase must be applied to provide cost-of-living increases to MaineCare  
28 reimbursement to nursing homes and to medical and remedial private nonmedical  
29 institutions that are reimbursed room and board costs and certain other allowable  
30 costs under rules adopted by the Department of Health and Human Services. These  
31 rules must use a methodology that provides a cost-of-living increase that ensures that  
32 such nursing facilities and medical and remedial private nonmedical institutions  
33 receive a share of the revenues through MaineCare reimbursement of allowable costs  
34 ~~;~~ and in accordance with this paragraph. A facility or institution that accepts the cost-  
35 of-living adjustment authorized under this paragraph must provide an equal  
36 percentage increase in the wages and benefits of all frontline employees in each fiscal  
37 year for which the adjustment is made, and a facility or institution that does not  
38 comply with this requirement must have the amount of its reimbursement reduced by  
39 that portion of the adjustment that:

40           (1) Applies to wage and benefit expense; and

