

# MAINE STATE LEGISLATURE

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Date: 3-17-16

(Filing No. S-402)

**HEALTH AND HUMAN SERVICES**

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE**

**SENATE**

**127TH LEGISLATURE**

**SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 589, L.D. 1527, Bill, "An Act To Facilitate MaineCare Assisted Living by Providing a Cost-of-living Adjustment to Private Nonmedical Institutions and Adult Family Care Homes"

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

**Sec. 1. Cost-of-living adjustment.** The Department of Health and Human Services shall amend its rules in Chapter 101: MaineCare Benefits Manual, Chapter III, Section 2, Adult Family Care Services and Chapter III, Section 97, Appendix C: Principles of Reimbursement for Medical and Remedial Service Facilities - Room and Board Costs to provide for 2 annual rate adjustments to adjust for inflation. For the fiscal year ending June 30, 2017, the amount of adjustment is 4%. For the fiscal year ending June 30, 2018, the department shall set the amount of the inflation adjustment in accordance with the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index medical care services index.

**Sec. 2. Appropriations and allocations.** The following appropriations and allocations are made.

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

**Medical Care - Payments to Providers 0147**

Initiative: Provides funds for a 4% cost-of-living rate increase for MaineCare Appendix C private nonmedical institutions.

<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
All Other	\$0	\$1,409,644
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$1,409,644</b>

**COMMITTEE AMENDMENT**

1	<b>FEDERAL EXPENDITURES FUND</b>	<b>2015-16</b>	<b>2016-17</b>
2	All Other	\$0	\$3,051,764
3			
4	<b>FEDERAL EXPENDITURES FUND TOTAL</b>	<u>\$0</u>	<u>\$3,051,764</u>

5	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2015-16</b>	<b>2016-17</b>
6	All Other	\$0	\$310,701
7			
8	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<u>\$0</u>	<u>\$310,701</u>

9       **Medical Care - Payments to Providers 0147**

10       Initiative: Provides funds for a 4% cost-of-living rate increase for adult family care  
 11       homes that are providing service pursuant to Chapter 101: MaineCare Benefits Manual,  
 12       Chapter II, Section 2.

13	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
14	All Other	\$0	\$65,773
15			
16	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>\$65,773</u>

17	<b>FEDERAL EXPENDITURES FUND</b>	<b>2015-16</b>	<b>2016-17</b>
18	All Other	\$0	\$116,677
19			
20	<b>FEDERAL EXPENDITURES FUND TOTAL</b>	<u>\$0</u>	<u>\$116,677</u>

21       **PNMI Room and Board Z009**

22       Initiative: Provides funds for a 4% cost-of-living rate increase for MaineCare Appendix C  
 23       private nonmedical institutions.

24	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
25	All Other	\$0	\$406,241
26			
27	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>\$406,241</u>

28       **PNMI Room and Board Z009**

29       Initiative: Provides funds for a 4% cost-of-living rate increase for adult family care  
 30       homes that are providing service pursuant to Chapter 101: MaineCare Benefits Manual,  
 31       Chapter II, Section 2.

1	<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
2	All Other	\$0	\$15,532
3			
4	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>\$15,532</u>
5	<b>HEALTH AND HUMAN SERVICES,</b>		
6	<b>DEPARTMENT OF (FORMERLY DHS)</b>		
7	<b>DEPARTMENT TOTALS</b>	<b>2015-16</b>	<b>2016-17</b>
8			
9	<b>GENERAL FUND</b>	\$0	\$1,897,190
10	<b>FEDERAL EXPENDITURES FUND</b>	\$0	\$3,168,441
11	<b>OTHER SPECIAL REVENUE FUNDS</b>	\$0	\$310,701
12			
13	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<u>\$0</u>	<u>\$5,376,332</u>
14			

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**SUMMARY**

16           This amendment provides for 2 cost-of-living rate increases in funding rather than an  
17 annual ongoing increase. The 4% cost-of-living rate increase in funding in the fiscal year  
18 beginning July 1, 2016 remains the same as in the bill but with updated appropriation and  
19 allocation amounts. The 2nd rate increase, for fiscal year 2017-18, is based on the  
20 Consumer Price Index medical care services index.

21

**FISCAL NOTE REQUIRED**

22

**(See attached)**



# 127th MAINE LEGISLATURE

LD 1527

LR 2294(02)

## An Act To Facilitate MaineCare Assisted Living by Providing a Cost-of-living Adjustment to Private Nonmedical Institutions and Adult Family Care Homes

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-402)  
Committee: Health and Human Services  
Fiscal Note Required: Yes

### Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$1,897,190	\$3,290,304	\$3,290,304
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$1,897,190	\$3,290,304	\$3,290,304
Federal Expenditures Fund	\$0	\$3,168,441	\$5,594,813	\$5,594,813
Other Special Revenue Funds	\$0	\$310,701	\$544,970	\$544,970
<b>Revenue</b>				
Federal Expenditures Fund	\$0	\$3,168,441	\$5,594,813	\$5,594,813
Other Special Revenue Funds	\$0	\$310,701	\$544,970	\$544,970

### Fiscal Detail and Notes

The bill includes a General Fund appropriation to the Department of Health and Human Services of \$1,897,190 in fiscal year 2016-17 for a 4% cost-of-living rate increase for MaineCare Appendix C private nonmedical institutions and adult family care homes. This bill also includes a Federal Expenditures Fund allocation for the FMAP match and an Other Special Revenue Funds allocation for the service provider Tax.