

# MAINE STATE LEGISLATURE

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L.D. 1530

Date: 3/1/16

(Filing No. S-375)

**TAXATION**

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**STATE OF MAINE  
SENATE  
127TH LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 592, L.D. 1530, Bill, "An Act To Exempt MaineCare Appendix C Private Nonmedical Institutions from the Service Provider Tax"

Amend the bill by inserting after section 1 the following:

**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: Deallocates funds due to a repeal of the service provider tax for services provided under rule Chapter 101: MaineCare Benefits Manual, Chapter II, Section 97 and Chapter III, Section 97, Appendix C, Private Non-Medical Institution Services.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2015-16</b>	<b>2016-17</b>
All Other	\$0	(\$8,083,333)
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<b>\$0</b>	<b>(\$8,083,333)</b>

**Medical Care - Payments to Providers 0147**

Initiative: Appropriates funds required to offset a repeal of the service provider tax for services provided under rule Chapter 101: MaineCare Benefits Manual, Chapter II, Section 97 and Chapter III, Section 97, Appendix C, Private Non-Medical Institution Services.

<b>GENERAL FUND</b>	<b>2015-16</b>	<b>2016-17</b>
All Other	\$0	\$8,083,333

**COMMITTEE AMENDMENT**

1 GENERAL FUND TOTAL \$0 \$8,083,333

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

3 Initiative: Deappropriates and deallocates funds due to a reduction in the reimbursement  
4 rate under rule Chapter 101: MaineCare Benefits Manual, Chapter II, Section 97 and  
5 Chapter III, Section 97, Appendix C, Private Non-Medical Institution Services.

6 GENERAL FUND 2015-16 2016-17  
7 All Other \$0 (\$1,038,638)  
8  
9 GENERAL FUND TOTAL \$0 (\$1,038,638)

10 FEDERAL EXPENDITURES FUND 2015-16 2016-17  
11 All Other \$0 (\$1,863,314)  
12  
13 FEDERAL EXPENDITURES FUND TOTAL \$0 (\$1,863,314)

14 **PNMI Room and Board Z009**

15 Initiative: Deappropriates funds due to a reduction in the reimbursement under rule  
16 Chapter 101: MaineCare Benefits Manual, Chapter II, Section 97 and Chapter III, Section  
17 97, Appendix C, Private Non-Medical Institution Services.

18 GENERAL FUND 2015-16 2016-17  
19 All Other \$0 (\$358,668)  
20  
21 GENERAL FUND TOTAL \$0 (\$358,668)

22 **HEALTH AND HUMAN SERVICES,  
23 DEPARTMENT OF (FORMERLY DHS)  
24 DEPARTMENT TOTALS**

25  
26 GENERAL FUND \$0 \$6,686,027  
27 FEDERAL EXPENDITURES FUND \$0 (\$1,863,314)  
28 OTHER SPECIAL REVENUE FUNDS \$0 (\$8,083,333)  
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30 DEPARTMENT TOTAL - ALL FUNDS \$0 (\$3,260,620)  
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32 Amend the bill by relettering or renumbering any nonconsecutive Part letter or  
33 section number to read consecutively.

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**SUMMARY**

This amendment adds to the bill the appropriations and allocations necessary to adjust for the loss of revenue to the MaineCare program resulting from the exemption of Appendix C, Private Non-Medical Institution Services from the service provider tax.

**FISCAL NOTE REQUIRED**

(See attached)



# 127th MAINE LEGISLATURE

LD 1530

LR 2496(02)

## An Act To Exempt MaineCare Appendix C Private Nonmedical Institutions from the Service Provider Tax

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-375)  
Committee: Taxation  
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	\$6,686,027	\$8,029,188	\$8,029,188
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$6,686,027	\$8,029,188	\$8,029,188
Federal Expenditures Fund	\$0	(\$1,863,314)	(\$2,241,932)	(\$2,241,932)
Other Special Revenue Funds	\$0	(\$8,083,333)	(\$9,700,000)	(\$9,700,000)
<b>Revenue</b>				
Federal Expenditures Fund	\$0	(\$1,863,314)	(\$2,241,932)	(\$2,241,932)
Other Special Revenue Funds	\$0	(\$8,083,333)	(\$9,700,000)	(\$9,700,000)

### Fiscal Detail and Notes

The repeal of the service provider tax will reduce Other Special Revenue Funds revenue to the Medical Care - Payments to Providers program at the Department of Health and Human Services by \$8,083,333 in fiscal year 2016-17. The bill includes a net General Fund appropriation to that program at DHHS of \$6,686,027 in fiscal year 2016-17 to partially offset the lost revenue. The remaining \$1,397,306 will no longer be needed because of a reduction in the reimbursement rate under MaineCare Benefits Manual, Chapters II and III, Section 97, Appendix C private non-medical institutions. Federal Expenditures Fund allocations are reduced for the lower FMAP match.