



129th MAINE LEGISLATURE

LD 1708

LR 2490(01)

An Act To Provide for the Merger of Hospital Administrative District No. 4 into MRH Corp., a Maine Nonprofit, Nonstock Private Corporation

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Higgins of Dover-Foxcroft

Committee: State and Local Government

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	(\$946,925)	(\$946,117)	(\$946,053)	(\$946,053)
Appropriations/Allocations				
General Fund	(\$946,925)	(\$946,117)	(\$946,053)	(\$946,053)
Federal Expenditures Fund	\$206,602	\$205,794	\$205,730	\$205,730
Other Special Revenue Funds	\$1,063,239	\$1,063,239	\$1,063,239	\$1,063,239
Revenue				
Federal Expenditures Fund	\$206,602	\$205,794	\$205,730	\$205,730
Other Special Revenue Funds	\$1,063,239	\$1,063,239	\$1,063,239	\$1,063,239

Fiscal Detail and Notes

The Department of Health and Human Services will require General Fund deappropriations of \$946,925 in fiscal year 2019-20 and \$946,117 in fiscal year 2020-21 to adjust the funding in the Medical Care - Payments to Providers program related to an increase in hospital tax funding being received from the newly established MRH Corp. Other Special Revenue Funds allocations will be required for the increased hospital tax as well as Federal Expenditures Fund allocations for the FMAP match.

This fiscal estimate assumes that the newly established MRH corp. will now be eligible to pay the hospital tax. MRS Title 36 §2891 currently defines Mayo Regional Hospital as a "municipally funded hospital", effectively exempting the hospital from the tax imposed on hospitals in MRS Title 36 §2892. The statute may need to be updated to recognize MRH Corp. as a taxable entity.