



131st MAINE LEGISLATURE

LD 985

LR 881(01)

Resolve, to Require the Department of Health and Human Services to Provide Additional Reimbursement to Maine Veterans' Homes

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Farrin of Somerset

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

| | FY 2023-24 | FY 2024-25 | Projections FY 2025-26 | Projections FY 2026-27 |
|-----------------------------------|--------------|--------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$10,516,298 | \$11,109,417 | \$11,735,988 | \$12,397,898 |
| Appropriations/Allocations | | | | |
| General Fund | \$10,516,298 | \$11,109,417 | \$11,735,988 | \$12,397,898 |
| Federal Expenditures Fund | \$5,279,403 | \$5,577,161 | \$5,891,713 | \$6,224,005 |
| Other Special Revenue Funds | \$1,008,236 | \$1,065,101 | \$1,125,173 | \$1,188,633 |
| Revenue | | | | |
| Federal Expenditures Fund | \$5,279,403 | \$5,577,161 | \$5,891,713 | \$6,224,005 |
| Other Special Revenue Funds | \$1,008,236 | \$1,065,101 | \$1,125,173 | \$1,188,633 |

Fiscal Detail and Notes

The Department of Health and Human Services will require General Fund appropriations of \$10,516,298 in fiscal year 2023-24 and \$11,109,417 in fiscal year 2024-25 to ensure that Maine Veterans' Homes nursing facilities are reimbursed a per patient daily rate for services that include the full cost of operating a veterans home, including fixed and variable operating costs, capital replacement, geographic differences and facility size, and it must also include an annual inflation adjustment provision. Federal Expenditures Fund allocations will also be required for the FMAP match and Other Special Revenue Funds allocations for the Service Provider and Nursing Facilities Tax.

There is a significant portion of these increased costs that are room and board and must be funded with state-only dollars. However, the estimate does assume that the increased cost of claims will receive a federal match.