



131st MAINE LEGISLATURE

LD 1187

LR 1124(01)

An Act to Protect Inpatient Psychiatric Services in Northern Maine by Preserving the Current Reimbursement Rate

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Pres. Jackson of Aroostook

Committee: Health and Human Services

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	\$157,120	\$215,510	\$215,510	\$215,510
Appropriations/Allocations				
General Fund	\$157,120	\$215,510	\$215,510	\$215,510
Federal Expenditures Fund	\$379,759	\$500,699	\$500,699	\$500,699
Federal Block Grant Fund	\$25,621	\$33,791	\$33,791	\$33,791

Fiscal Detail and Notes

The Department of Health and Human Services (DHHS) will require General Fund appropriations of \$157,120 in fiscal year 2023-24 and \$215,510 in fiscal year 2024-25 to maintain the current reimbursement rate for distinct psychiatric unit discharges for Northern Maine Medical Center or its successor hospital without legislative approval. Federal Expenditures Fund and Federal Block Grant Fund allocations will also be required for the FMAP match.

The legislature has passed previous bills to do a rate study to adjust the current rates from per psych discharge to daily rates (PL 2021 c.635) and to require that when the DHHS completes its rate setting process (for inpatient psych and substance use disorder) that the initial rate is set to provide 100% aggregate cost reimbursement for providers based upon 2022 data. (PL 2023 c.3). This rate setting is almost complete and this bill would require the department to change the rate for Northern Maine Medical Center back to the current per discharge rate, which would require additional funding.