



126th MAINE LEGISLATURE

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Legislative Document

No. 1189

H.P. 833

House of Representatives, March 26, 2013

**An Act Regarding Implementation of Cost-of-living Increases for
Nursing Facilities**

(EMERGENCY)

Reference to the Committee on Health and Human Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative GATTINE of Westbrook.

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** Public Law 2011, chapter 411 requires that funds received from an
4 increased provider tax be applied to provide cost-of-living reimbursement to nursing
5 homes and to medical and remedial private nonmedical institutions in accordance with
6 rules adopted by the Department of Health and Human Services; and

7 **Whereas,** this legislation specifies that for the first year such an adjustment is made,
8 reimbursement may be made to facilities that provided a cost-of-living increase to its
9 frontline employees in certain prior years; and

10 **Whereas,** in order to ensure this legislation is enacted in sufficient time to apply to
11 the first year such an adjustment is made, it must be enacted as an emergency measure;
12 and

13 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
14 the meaning of the Constitution of Maine and require the following legislation as
15 immediately necessary for the preservation of the public peace, health and safety; now,
16 therefore,

17 **Be it enacted by the People of the State of Maine as follows:**

18 **Sec. 1. 36 MRSA §2873, sub-§4, ¶A,** as amended by PL 2011, c. 411, §7, is
19 further amended to read:

20 A. All revenues received by the assessor during the month pursuant to this chapter
21 from nursing homes net of refunds must be credited to the Nursing Facilities Other
22 Special Revenue funds account in the Department of Health and Human Services.
23 Beginning October 1, 2011, the revenues received in each fiscal year that result from
24 the increase in the tax rate from 5.5% to 6% pursuant to section 2872, subsection 1,
25 paragraph E must be applied first to reimburse nursing homes for the MaineCare
26 portion of the increased tax expense, and all remaining revenue resulting from the
27 increase must be applied to provide cost-of-living increases to MaineCare
28 reimbursement to nursing homes and to medical and remedial private nonmedical
29 institutions that are reimbursed room and board costs and certain other allowable
30 costs under rules adopted by the Department of Health and Human Services. These
31 rules must use a methodology that provides a cost-of-living increase that ensures that
32 such nursing facilities and medical and remedial private nonmedical institutions
33 receive a share of the revenues through MaineCare reimbursement of allowable costs
34 ~~;~~ and in accordance with this paragraph. A facility or institution that accepts the cost-
35 of-living adjustment authorized under this paragraph must provide an equal
36 percentage increase in the wages and benefits of all frontline employees in each fiscal
37 year for which the adjustment is made, and a facility or institution that does not
38 comply with this requirement must have the amount of its reimbursement reduced by
39 that portion of the adjustment that:

40 (1) Applies to wage and benefit expense; and

