



# 128th MAINE LEGISLATURE

LD 517

LR 975(05)

## An Act To Amend Principles of Reimbursement for Residential Care Facilities

**Fiscal Note for Bill as Engrossed with:**

**C "A" (S-91)**

**S "A" (S-321) to C "A" (S-91)**

**Committee: Health and Human Services**

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### Fiscal Note

Potential current biennium cost increase - General Fund  
Potential current biennium cost increase - Federal Expenditures Fund

#### **Fiscal Detail and Notes**

This bill requires the Department of Health and Human Services to permit capital expenditures by residential care facilities (RCF) that are less than \$500,000 without prior approval and to provide an extraordinary circumstance allowance in permitted reimbursement to RCF's. The costs incurred by an RCF to comply with federal or state laws, regulations and rules shall be considered reasonable and necessary costs and will be reimbursed via a supplemental payment added to the per diem rate. These additional changes to the Residential Care Facilities will increase costs that will largely be necessitated by decisions of the RCFs that cannot be projected by the department. Since new construction, acquisitions, and renovations apply to room and board and not direct care, which cannot be reimbursed with federal funds per 42 CFR 440.182, it is also expected that these costs would be reimbursed entirely by the General Fund.