



129th MAINE LEGISLATURE

LD 880

LR 1040(02)

An Act To Respond to Federal Changes to Social Programs

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Health and Human Services

Fiscal Note Required: Yes

Fiscal Note

Current biennium cost increase - General Fund

Current biennium cost increase - Federal Expenditures Fund

Fiscal Detail and Notes

The bill requires the Department of Health and Human Services (DHHS) to study the impact of increases in the minimum wage and any statutory requirements for earned paid leave on the reimbursement rates for all services reimbursed under the DHHS's rule Chapter 101: MaineCare Benefits Manual Chapter III. The DHHS is required to develop an assessment of future shortfalls and develop a plan to ensure that reimbursement rates remain sufficient to cover any future increases. The DHHS may consult or contract with any experts or stakeholders that the DHHS determines appropriate. The DHHS would see a fiscal impact as a result of contracted rate studies that may need to occur to fulfill the requirements of this bill. The average contract amount for a rate study is \$105,000 and if all sections required an outside contractor the cost could be as much as \$1,890,000. As it is not known which sections of policy will require an outside contractor and which can be done by the DHHS, no estimate of the cost for the rate studies can be determined at this time.