



127th MAINE LEGISLATURE

LD 1645

LR 2693(01)

An Act To Address Employee Recruitment and Retention Issues at State Mental Health Institutions

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Katz of Kennebec

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
Net Cost (Savings)				
General Fund	\$0	\$694,960	\$694,960	\$694,960
Appropriations/Allocations				
General Fund	\$0	\$694,960	\$694,960	\$694,960
Other Special Revenue Funds	\$0	\$1,256,080	\$1,256,080	\$1,256,080
Revenue				
Other Special Revenue Funds	\$0	\$1,256,080	\$1,256,080	\$1,256,080

Fiscal Detail and Notes

The bill includes a General Fund appropriation to the Department of Health and Human Services of \$694,960 in fiscal year 2016-17 to increase wages for selected positions at state mental health facilities. The bill also includes an Other Special Revenue Funds allocation of \$1,256,080 for the Federal Medical Assistance Percentage (FMAP) match for these costs. This assumes that the past practice of drawing Disproportionate Share Hospital (DSH) payments to fund a portion of the costs of these positions will be continued with this increase.

The department has provided a more current estimate that also includes benefits, as the original bill only included the increase in salary costs. The new estimate would increase the General Fund appropriation by \$236,323 and increase the Other Special Revenue Funds allocation by \$396,128 in fiscal year 2016-17. The Department has also indicated that the costs of this bill would exceed the State's allowable DSH balance based on the current patient population, which would mean that the increase would need to be funded 100% as General Fund.