

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1994

Legislative Document

No. 1820

H.P. 1354

House of Representatives, February 1, 1994

An Act to Encourage Effective Use of State Resources.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.
Reference to the Committee on Human Resources suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative DAGGETT of Augusta.
Cosponsored by Representative KILKELLY of Wiscasset and
Senators: BERUBE of Androscoggin, BUTLAND of Cumberland, CAHILL of Sagadahoc.

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

2 Sec. 1. 5 MRSA §20005, sub-§6, as amended by PL 1993, c. 349,
4 §21, is further amended to read:

6 **6. Contracts and licensing.** Through the director:

8 A. Administer all contracts with community service
10 providers for the delivery of alcohol and drug abuse
services;

12 B. Establish operating and treatment standards and inspect
14 and issue certificates of approval for approved treatment
16 facilities, drug abuse treatment facilities or programs,
including residential treatment centers, and community-based
18 service providers pursuant to section 20024 and subchapter
V; and

20 C. Ensure community participation by funding regional
alcohol councils to:

22 (1) Assist in the development of comprehensive state
24 plans, the review of the effectiveness of existing
policies and services, and the identification of unmet
needs;

26 (2) Review and comment on proposed grants and
28 contracts;

30 (3) Increase public awareness and participation;

32 (4) Supply general reference information; and

34 (5) Advocate for individuals in need of assistance.

36 The director shall ensure that councils are funded in a
38 manner that recognizes local differences in cost and travel
distances and allows equal provision of services in each
40 geographic area to the extent that funds are available
within the office for this purpose; and

42 D. Request proposals for changes in existing contract
44 services when, after notice and opportunity for hearing:

46 (1) The provider breaches the contract between the
provider and the office;

48 (2) The provider no longer qualifies as a provider due
50 to changes that include, but are not limited to:

52 (a) Loss of license;

2 (b) Insolvency; or

4 (c) Loss of eligibility in the Medicare or
6 Medicaid programs when these programs provide
8 funds that are an integral service of the provider;

10 (3) The provider fails to correct deficiencies,
12 improve services or reduce costs when requested after
14 inspection visits reveal a failure to comply with
16 standards;

18 (4) The provider is unwilling to continue to provide
20 services;

22 (5) The provider is given consistent reports of the
24 provider's poor functioning of the program; or

26 (6) The provider fails to plan services with other
28 providers of services when needed to enhance continuity
30 of care.

32 The office shall issue a client impact statement when it has
34 reasonable cause to change a provider of substance abuse
36 services that addresses the consequences of the change and
38 ensures that the recipient of substance abuse services will
40 not adversely suffer a lapse of service, a prospective
42 provider meets the needs of the recipient of services or a
44 future recipient of services and that the office may
46 monitor, license and audit new contracts to provide
48 services, shut down existing programs and implement new
50 programs.

52 The director may delegate contract and licensing duties under
this subsection to the Department of Human Services, the
Department of Corrections or the Department of Mental Health and
Mental Retardation as long as that delegation ensures that
contracting for alcohol and other drug abuse services provided in
community settings are consolidated within the Department of
Human Services, that contracting for alcohol and other drug abuse
services delivered within correctional facilities are
consolidated within the Department of Corrections and that
contracting for alcohol and other drug abuse services delivered
within mental health and mental retardation facilities are
consolidated within the Department of Mental Health and Mental
Retardation.

The director may not delegate contract and licensing duties if
that delegation results in increased administrative costs.

The director may not issue requests for proposals for existing
contract services until the director has adopted rules in
accordance with the Maine Administrative Procedure Act to ensure

2 that the reasons for which existing services are placed out for
4 bid and the performance standards and manner in which compliance
6 is evaluated are specified and that any change in provider is
accomplished in a manner that fully protects the consumer of
services.

8 Any new contract must be awarded through a request-for-proposal
10 procedure and 1/3 of the contracts of \$100,000 per year or more
that are renewed must be awarded through a request-for-proposal
procedure at least every 2 years.

12 The director shall establish a procedure to obtain assistance and
14 advice from consumers of alcohol and other drug abuse services
regarding the selection of contractors when requests for
proposals are issued;

16 **Sec. 2. 5 MRSA §20005, sub-§12, as amended by PL 1991, c. 601,
18 §6, is further amended to read:**

20 **12. Rules.** Adopt rules, in accordance with the Maine
22 Administrative Procedure Act, necessary to carry out the purposes
of this chapter and approve any rules adopted by state agencies
24 for the purpose of implementing alcohol or drug abuse prevention
or treatment programs and ensuring the stability of the provider
system.

26 All state agencies must comply with rules adopted by the office
28 regarding uniform alcohol and other drug abuse contracting
requirements, formats, schedules, data collection and reporting
30 requirements;

32 **Sec. 3. 34-B MRSA §1208, sub-§§7 to 9 are enacted to read:**

34 **7. Change of provider.** The department may change a
36 provider when, after notice and opportunity for hearing:

38 **A. The provider breaches the contract between the provider
and the department;**

40 **B. The provider no longer qualifies as a provider due to
42 changes that include, but are not limited to:**

44 **(1) Loss of license;**

46 **(2) Insolvency; or**

48 **(3) Loss of eligibility in the Medicare or Medicaid
50 programs when these programs provide funds that are an
integral service of the provider;**

52 **C. The provider fails to correct deficiencies, improve
54 services or reduce costs when the department requests these
actions after inspection visits reveal a failure to comply
with standards;**

2 Health and Mental Retardation and the Office of Substance Abuse
may issue a request for a proposal procedure for contracted
4 services.

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This document has not yet been reviewed to determine the
need for cross-reference, stylistic and other technical
amendments to conform existing law to current drafting standards.