

## STATE OF MAINE

## ONE HUNDRED AND TWELFTH LEGISLATURE SECOND REGULAR SESSION

## JOINT STANDING COMMITTEE ON

HUMAN RESOURCES

BILL SUMMARY



MAY 1986

## PREPARED BY:

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> JOINT STANDING COMMITTEE BILL SUMMARIES MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears. . . .

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass			
OTP-ND	Ought to Pass in New Draft			
OTP-ND-NT	Ought to Pass in New Draft, New Title			
OTP-AM	Ought to Pass as Amended			
ONTP	Ought Not to Pass			
LVWD	Leave to Withdraw			
INDEF PP	Indefinitely Postponed			

1955 AN ACT TO EXCLUDE OUT-OF-STATE REVENUE SOURCES FROM THE HOSPITAL COST CONTAINMENT LAW

Sponsor: ROLDE Committee Report: LVWD

 $\mathbf{LD}$ 

<u>SUMMARY:</u> This bill sought to exempt revenue derived from the care of nonresidents from consideration under the Health Care Finance Commission laws since it was thought that usage by nonresident patients was not considered in Certificate of Need determinations. The sponsor requested leave to withdraw when it was discovered usage by nonresident patients is currently being considered in the Certificate of Need process.

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LVWD

LDAN ACT TO AMEND THE MAINE HEALTH CARE FINANCEND LD 23721965COMMISSION LAWS WITH RESPECT TO THE CERTIFICATE<br/>OF NEED DEVELOPMENT ACCOUNT, RECOGNITION OF<br/>CERTAIN OPERATING COSTS, REPEAL OF PROVISIONS<br/>GOVERNING REORGANIZATIONS AND AFFILIATED<br/>INTERESTS, STREAMLINING OF PROCEDURE AND FOR<br/>OTHER PURPOSESND LD 2372

Sponsor: TWITCHELL, Crowley, Taylor, Perkins Committee Report: OTP-ND LD 2372

<u>SUMMARY:</u> This bill sought to make the following changes in the Maine Health Care Finance Commission law:

1. to require the commission to make adjustments to financial requirements for unforeseen or uncontrollable events to the full extent that these costs are not otherwise specifically included in the commission's regulations;

2. to require adjustment to financial requirements costs related to regulatory requirements, including appeals of commission decisions, medical malpractice insurance premiums and other reasonable and legitimate operating costs not adequately included in the commission's economic trend factors;

3. to require adjustment to financial requirements for costs associated with the addition of new facilities, equipment or services which are not subject to approval under the Maine Certificate of Need Act.

4. to establish parameters of 1% to 3% of total hospital revenues for the value of the Certificate of Need Development Account;

5. to repeal provisions of the law requiring the commission to offset the depreciation of donor restricted gifts for movable equipment;

Office of Policy and Legal Analysis.....page 19 Human Resources 6. to repeal the section of the law which requires the commission to approve hospital reorganizations and to monitor the financial reports of organizations which are deemed by the commission to be affiliated interests;

7. to authorize the chairman of each of the 3 advisory committees or the chairman's designee to be an ex officio nonvoting member of the commission; and

8. to amend procedures:

a. requiring expeditious and cost-effective
resolution of contests and application for interim
adjustments;
b. allowing hospitals and third party payors to seek
modification or adjustment to remove limit prior to
deadline for notice of contest;
c. requiring related documents to be available at
least 5 days prior to commission meeting; and
d. allowing anyone to participate informally in rule

making.

See LD 2372 for the changes made by the new draft.

LD	AN ACT TO REVISE THE	CERTIFICATE OF	NEED PI	<b>1985</b>
2018	PROCESS		С	661

Sponsor: NELSON for the STUDY COMMITTEE Committee Report: OTP-A

H-603 CA H S

<u>SUMMARY:</u> This bill amends the Certificate of Need process. It is the legislative recommendation from the Certificate of Need study of the Human Resources Committee.

Under the original bill, the Certificate of Need Development Account administered by the Maine Health Care Finance Commission is retained for the first and 2nd payment year cycles. In the 3rd payment year cycle, beginning October 1, 1986, the Certificate of Need Development Account would be superseded by the Hospital Development Account. Also administered by the commission, the Hospital Development Account would have 2 components. One component, composed of 80% of the total amount credited in a particular year, will be the amount available to support projects subject to review under the Maine Certificate of Need Act. The remaining 20% will be an annual amount that will be allocated on a proportionate basis to each hospital and will be available on a hospital specific basis to support either minor projects that a hospital may choose not to submit for review under certificate of need or initiatives that are not subject to review under the Maine Certificate of Need Act. The

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