

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

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**Legislative Document**

**No. 490**

S. P. 173

In Senate, February 17, 1977

Referred to Committee on Appropriations and Financial Affairs. Sent down for concurrence and ordered printed.

MAY M. ROSS, Secretary

Presented by Senator Collins of Aroostook.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-SEVEN

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**AN ACT Appropriating Funds for Maine Health Systems Agency, Incorporated, to Ensure That Quality Health Services Are Available at a Reasonable Cost to all Maine People.**

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**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the 90-day period will not terminate until after the beginning of the next fiscal year; and

Whereas, costs of health care have been increasing at an annual rate of 15%, necessitating methods for their control while maintaining quality of care; and

Whereas, despite escalating costs, many residents of rural Maine are denied access to the most basic health services; and

Whereas, ordinary people are rarely involved in the planning and developing of health services designed to meet their needs; and

Whereas, the planning and developing of new health resources in rural Maine should be encouraged and coordinated by a single organization; and

Whereas, the Maine Health Systems Agency, Incorporated, is designated by the U. S. Department of Health, Education and Welfare as the only health systems agency in Maine to accomplish the tasks of health planning and resources development as outlined by Congress in Public Law 93-641; and

Whereas, state funding would enable the Maine Health Systems Agency, Incorporated, to involve ordinary people in planning and developing quality health services for all Maine people at a reasonable cost; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Appropriation.** There is appropriated to Maine Health Systems Agency, Incorporated, from the General Fund the sum of \$100,000 for the fiscal year ending June 30, 1978 and the sum of \$110,000 for the fiscal year ending June 30, 1979 to provide funds for Maine Health Systems Agency, Incorporated, to ensure that quality health care services are available at a reasonable cost to all Maine people.

**Emergency clause.** In view of the emergency cited in preamble, this Act shall take effect when approved.

#### STATEMENT OF FACT

Maine Health Systems Agency, Incorporated, results from passage of PL 93-641, the National Health Planning and Resources Development Act of 1974. The Act consolidated the previous federally funded Areawide Comprehensive Health Planning Program and Regional Medical Program into health systems agencies (HSA's). With the designation of Maine as a single health services area in 1975, Maine Health Systems Agency, Incorporated was formed, replacing 5 Areawide Comprehensive Health Planning Agencies and Maine's Regional Medical Program.

Under terms of PL 93-641, Maine Health Systems Agency, Incorporated, is mandated to:

- 1) Carry out health planning and resource development on the basis of identifiable need, availability of manpower, quality of care and economic/financial feasibility, regarding the growth and development of Maine's health care "industry;"
- 2) Develop an annual Health Systems Plan, long-range goals and objectives, and an Annual Implementation Plan, specific short-range strategies relative to the HSP; and
- 3) Review all proposals for capital expenditures related to new health facilities, modernization/expansion of existing health facilities, changes in health services, and, upon full designation anticipated in FY 1978, approve/disapprove use of federal funds under programs of the U. S. Public Health Service.

The MHSA Board of Trustees is composed of 38 consumers and 31 providers of health care who are "broadly representative" of the State, socially, economically, ethnically and geographically. The board has established state-wide committees to handle the functions of review, plan development and education.

Funding for MHSAs core activities derives from a basic federal grant. Funding for the establishment of a development office to coordinate and encourage new health resources in rural Maine, to broaden the planning effort, and to develop and establish 5 regional councils throughout Maine must derive from additional federal funds which are provided as matching grants with nonfederal funds raised in Maine. MHSAs cannot receive such funds from health providers.

The 5 regional councils are to be established in each of the state-designated health planning regions of Maine and to act in an advisory role to MHSAs. These councils shall serve, among other things, as "local listening posts" and will allow ordinary people to become involved in the planning and developing of health services which they will receive.

It is intended that state funds shall be utilized as nonfederal matching funds for the purposes outlined in this Act.