

# MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 890

H. P. 700

House of Representatives, March 1, 1979

Referred to the Committee on Health and Institutional Services. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Brenerman of Portland.

Cosponsors: Mr. Wyman of Pittsfield, Mr. Morton of Farmington and Mr. Hunter of Benton.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-NINE

**AN ACT Concerning Reimbursement for Health Care Services in Certified Rural Health Clinics.**

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

**Sec. 1. 24 MRSA § 2301, sub-§ 1**, as repealed and replaced by PL 1971, c. 444, § 1, is amended to read:

**1. Nonprofit hospital service plans.** To establish, maintain and operate nonprofit hospital service plans, whereby hospital care may be provided by hospitals or groups of hospitals, **rural health centers certified by the Department of Human Services under the United States Rural Health Clinic Services Act, Public Law 95-210, or its successor, or incorporated nonprofit health centers engaged in the delivery of comprehensive primary care**, with which such corporation has a contract for such purpose, to such persons or groups of persons as become subscribers to said plan under a contract which entitles each subscriber to certain hospital care, and the hospital or hospitals so contracting with such corporation shall be governed by this chapter and by such provisions of Title 24-A as shall become applicable as provided in this chapter.

**Sec. 2. 24 MRSA § 2303, sub-§ 1, first sentence**, as repealed and replaced by PL 1975, c. 581, is amended to read:

Such corporation mentioned in section 2301 may enter into contracts for the rendering of health care to the subscribers only with institutions or persons licensed by the appropriate departments or boards of the several states, **with ambulatory health centers certified by the Department of Human Services under the United States Rural Health Clinic Services Act, Public Law 95-210, or its successor, and with incorporated nonprofit health centers engaged in the delivery of comprehensive primary care.**

**Sec. 3. 24 MRSA § 2324** is enacted to read:

**§ 2324. Certified ambulatory health care center outpatient coverage**

**1. Contract coverage.** Every nonprofit hospital and medical service organization which issues group and individual health care contracts providing coverage for inpatients and outpatient hospital care to residents of the State shall make available coverage for outpatient health care to subscribers with health care facilities certified by the Department of Human Services Rural Health Clinic Services Act, Public Law 95-210, or its successor, and with incorporated nonprofit health centers engaged in the delivery of comprehensive primary care.

**2. Services required.** Services provided under such contract to certified rural health clinics shall include, but need not be limited to, services presently provided for under group and individual health care contracts to hospitals or groups of hospitals presently licensed under Title 22, chapter 403, or its successor. In no way shall services provided under such contracts to these health clinics be construed to require a nonprofit hospital or medical services organization to provide contract coverage for a service in a particular rural health clinic which does not meet state qualifications or criteria.

**Sec. 3. P&SL 1939, c. 24, § 16** is enacted to read:

**16. Definition of hospital.** For purposes of this chapter, hospital or groups of hospitals means any health facility required to be licensed under Title 22, chapter 403, or its successor, any health facility certified by the Department of Human Services for reimbursement under the United States Rural Health Clinic Services Act, Public Law 95-210, or its successor, and incorporated nonprofit health centers engaged in the delivery of comprehensive primary care.

#### STATEMENT OF FACT

The purpose of this bill is to require that any nonprofit hospital and medical service organization, which issues group and individual health care contracts providing coverage for outpatient services to hospitals, make this coverage available to subscribers who go to qualified nonprofit health centers. Presently, incorporated nonprofit health centers may receive reimbursement for patients who subscribe only to medical service plans, like Blue Shield. Hospital service

plans, like Blue Cross, do not contract with these health centers. This means that these centers usually receive reimbursement for a unit of health service at a rate significantly lower than the same service at an outpatient clinic of a hospital. While services delivered at nonprofit health centers are generally lower per unit of cost than those delivered at an outpatient clinic of a hospital, this bill would not change this. It would make these centers more viable financially. Furthermore, patients with Blue Cross plans would not suffer financially for going to a health center for services which are fully reimbursed by Blue Cross at a hospital outpatient department, nor would there be an incentive for them to go to a hospital outpatient department for care which is more expensive than the same care provided at a qualified health center.