

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 659

6
7 H.P. 459

House of Representatives, February 21, 1985

8 Submitted by the Maine Health Care Finance Commission pursuant to
9 Joint Rule 24.

10 Referred to the Committee on Human Resources. Sent up for
concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Nelson of Portland.

11 Cosponsored by Senator Bustin of Kennebec, Representative Brodeur of
Auburn and Representative Manning of Portland.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FIVE
16

17 AN ACT to Amend Provisions Governing the
18 Procedures of the Maine Health Care
19 Finance Commission.
20

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

23 Sec. 1. 22 MRSA §397, sub-§1, as enacted by PL
24 1983, c. 579, §10, is repealed and the following en-
25 acted in its place:

26 1. Proceedings. Proceedings before the commis-
27 sion shall be subject to such provisions of the Maine
28 Administrative Procedure Act, Title 5, chapter 375,
29 as may apply to each type of proceeding that the com-
30 mission conducts under this chapter. All proceedings
31 shall also be subject to such additional rules of
32 practice as the commission may promulgate consistent
33 with the Maine Administrative Procedure Act, Title 5,
34 chapter 375.

35 Sec. 2. 22 MRSA §398, sub-§1, as enacted by PL
36 1983, c. 579, §10, is amended to read:

1 1. Revenue limits. At least 90 days prior to the
2 start of each payment year of each hospital subject
3 to this chapter, the executive director shall propose
4 a gross patient service revenue limit and the appor-
5 tionment thereof for approval by the commission. If
6 no notice of contest is filed within the period of
7 time specified by the commission by an affected hos-
8 pital, affiliated interest, 3rd-party payor or group
9 of purchasers, and if the commission does not disap-
10 prove or modify the proposed limit or apportionment,
11 the limit and apportionment shall take effect on the
12 first day of the applicable payment year; otherwise,
13 the commission shall, after opportunity for hearing
14 before the commission, an individual member of the
15 commission or a duly appointed and sworn hearing ex-
16 aminer, issue a final order no later than the first
17 day of the applicable payment year, except that, if
18 the proposed limit or apportionment ~~for a hospital's~~
19 ~~first payment year~~ is timely contested, and the com-
20 mission, after due diligence, is unable to issue a
21 final order by the first day of the payment year, it
22 shall issue a provisional order by that date which
23 shall be superseded by a final order no later than 90
24 150 days after the start of the payment year.

25 Sec. 3. Transition. Notwithstanding any other
26 provision of law, any cases or proceedings pending
27 before the Maine Health Care Finance Commission pur-
28 suant to the Revised Statutes, Title 22, section 398,
29 subsection 1, on the effective date of this Act shall
30 be governed by the amendments set forth in section 2.

1

STATEMENT OF FACT

2 Section 1 of this bill clarifies the reference to
3 the Maine Administrative Procedure Act in the Revised
4 Statutes, Title 22, section 397, subsection 1, to as-
5 sure that it would not be misunderstood to require
6 the formalities of adjudication for the variety of
7 less formal proceedings that are contemplated in the
8 commission's enabling act, such as rulemaking, review
9 of the data to be released and other review or ap-
10 proval processes. Because the Maine Administrative
11 Procedure Act, the Revised Statutes, Title 5, chapter
12 375, defines what types of proceedings must observe
13 the rigors of the Revised Statutes, Title 5, chapter
14 375, subchapter IV, it is both unnecessary and con-
15 fusing to mention that subchapter in a sentence deal-
16 ing with the full range of commission proceedings.

17 Section 2 maintains the existing ability of the
18 commission to extend its consideration of challenges
19 to proposed revenue limits beyond the beginning of a
20 payment year, provided that a provisional revenue
21 limit is established pending a final decision. This
22 ability to extend cases allows the commission to re-
23 spond to the needs of hospitals and payors for ade-
24 quate time to present their positions. Without this
25 bill, this extension ability will be unavailable af-
26 ter October, 1985. In response to concerns that ex-
27 isting timetables do not allow enough time for nego-
28 tiations and informal dispute resolution, section 2
29 also increases the maximum extension from 90 to 150
30 days.

31 Section 3 assures that there is no gap between
32 the extension authority under existing law for
33 first-year revenue limits and the new provision al-
34 lowing extensions for subsequent years. Without this
35 transition language, the commission would be confined
36 to a compressed schedule for the first group of
37 2nd-year revenue limits.

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