

MAINE STATE LEGISLATURE

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L.D. 849

(Filing No. H-246)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
112TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 578, L.D. 849,
Bill, "AN ACT to Revise the Maine Certificate of Need
Act for Hospitals."

Amend the bill by striking out everything after
the enacting clause and inserting in its place the
following:

'Sec. 1. 22 MRSA §304-A, 2nd ¶, as enacted by PL
1981, c. 705, Pt. V, §16, is amended to read:

A Except as provided in section 304-C, a certifi-
cate of need from the department shall be required
for:

Sec. 2. 22 MRSA §304-C is enacted to read:

§304-C. Waiver of certificate of need review for
projects for which hospital does not seek
positive adjustment to financial require-
ments established by Maine Health Care Fi-
nance Commission

1. Categories of projects eligible for waiver.
A hospital may apply for a waiver of the certificate
of need review requirements otherwise imposed by this
chapter with respect to the following projects:

A. New health services involving no capital ex-
penditure or a capital expenditure of less than
\$300,000; and

B. Third year annual operating costs of at least
the expenditure minimum for operating costs, but
less than \$250,000.

2. Conditions of waiver. As a condition of re-

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1 ceipt of a waiver of certificate of need review, the
2 hospital shall not be subject to any adjustments to
3 its financial requirements pursuant to section 396-D.

4 3. Waiver process. Any hospital may file a re-
5 quest for waiver with the department describing the
6 proposed project and its projected associated capital
7 costs and projected operating costs, as appropriate.
8 Within 15 days following receipt of the hospital's
9 waiver request and other information, if requested,
10 the department shall issue its waiver determination.

11 The department shall waive certificate of need review
12 in all cases where the request demonstrates that:

13 A. The project is within the categories of sub-
14 section 1; and

15 B. The hospital agrees to be bound by the condi-
16 tions of subsection 2.

17 4. Treatment of project by the Maine Health Care
18 Finance Commission. The total capital costs and op-
19 erating costs associated with the project shall not
20 be debited against the Certificate of Need Develop-
21 ment Account pursuant to section 396-K.

22 Sec. 3. 22 MRSA §309, sub-§6, as enacted by PL
23 1983, c. 579, §9, is amended to read:

24 6. Hospital projects. Notwithstanding subsec-
25 tions 1, 4 and 5, the department may not issue a cer-
26 tificate of need for a project which is subject to
27 the provisions of section 396-D, subsection 5, and
28 section 396-K, if the associated costs exceed the
29 amount which the commission has determined will have
30 been credited to the Certificate of Need Development
31 Account pursuant to section 396-K, after accounting
32 for previously approved projects. A project shall not
33 be denied solely on the basis of exceeding the amount
34 remaining in the Certificate of Need Development Ac-
35 count in a particular payment year and shall be held

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1 for further consideration by the department in the
2 first appropriate review cycle beginning after the
3 Certificate of Need Development Account is credited
4 with additional amounts. For the purposes of this
5 subsection, a project may be held for a final deci-
6 sion beyond the time frames set forth in section 307,
7 subsections 3 and 4.'

8 STATEMENT OF FACT

9 This amendment deletes the provision which would
10 have eliminated the "Category C" health services from
11 the Maine Certificate of Need Act.

12 The amendment amends the waiver provisions to al-
13 low hospitals the option of obtaining waivers on cer-
14 tificate of need reviews for new services when capi-
15 tal expenditures are either \$0 or less than \$300,000
16 and the projected annual operating cost for the 3rd
17 year is greater than the annual expenditure minimum,
18 but less than \$250,000. As a condition of such a
19 waiver, a hospital is not entitled to a positive ad-
20 justment to its financial requirements as determined
21 by the Maine Health Care Finance Commission.

22 The amendment still allows the Department of Hu-
23 man Services to hold projects which would otherwise
24 be denied due to insufficient funds in the Certifi-
25 cate of Need Development Account for consideration in
26 the following year.

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Reported by the Committee on Human Resources
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5/29/85

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