

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE  
4

5 Legislative Document

No. 1424

6  
7 S.P. 529

In Senate, April 29, 1985

8 Reference to the Committee on Labor suggested and ordered printed.

9 JOY J. O'BRIEN, Secretary of the Senate

10 Presented by Senator Bustin of Kennebec.

11  
12 STATE OF MAINE  
13

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

17 AN ACT to Prevent the Hospital Cost  
18 Containment Law from Substituting for  
19 the Collective Bargaining Process.  
20

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

23 22 MRSA §381, sub-§2, ¶C is enacted to read:

24 C. It is further the intent of the Legislature  
25 that this chapter, and particularly the economic  
26 trend factors developed by the commission pursu-  
27 ant to section 396-D, subsection 1, paragraph C,  
28 is not meant to set a maximum limit on the cost  
29 of services to hospitals established through the  
30 collective bargaining process.

1

STATEMENT OF FACT

2           In recent negotiations between hospitals and  
3 nurses, the hospitals have taken the position that  
4 the wage factor established by the Health Care Fi-  
5 nance Commission is the maximum allowable increase in  
6 wages, including normal career ladder step increases.  
7 In reality, the commission merely establishes a  
8 "proxie" for the increase in costs of services as one  
9 of many factors reflecting the projected impact of  
10 inflation on hospital costs. The individual proxie  
11 is only important as part of the entire financial  
12 circumstances in containing hospital costs and is not  
13 related to any individual wage settlement. This bill  
14 makes it clear that the health care cost containment  
15 legislation was not intended to substitute for the  
16 collective bargaining process.

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