

MAINE STATE LEGISLATURE

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L.D. 2018

(Filing No. H-603)

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

COMMITTEE AMENDMENT "A" to H.P. 1428, L.D. 2018, Bill, "AN ACT to Revise the Certificate of Need Process."

Amend the Bill in section 3 in subsection 5-A by striking out all of the last paragraph and inserting in its place the following:

'In making a determination on any pending application under the certificate of need program, the department shall not rely on the contents of any documents relating to the application when those documents are submitted to the department anonymously.'

Further amend the Bill by inserting after section 3 the following:

'22 MRSA §309, sub-§2, ¶¶N and O, as enacted by PL 1977, c. 687, §1, are amended to read:

N. The gains that may be anticipated from innovative measures in the organization, financing and delivery of health care and the development of comprehensive services for the community to be served; ~~and~~

O. The special needs and circumstances of biomedical and behavioral research projects which are designed to meet a national need and for which local conditions offer special advantages; ~~and~~

22 MRSA §309, sub-§2, ¶P is enacted to read:

P. For any facility located within 30 miles of the state border, the gains that may be anticipated from the ability to attract health care

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1 consumers from out-of-state and the ability to
2 provide health care for Maine citizens who for-
3 merly had to obtain that care out-of-state.'

4 Further amend the Bill in section 7 by striking
5 out all of paragraph D and inserting in its place the
6 following:

7 'D. In determining payment year financial re-
8 quirements, the commission shall include an ad-
9 justment to reflect any net increases or de-
10 creases in the hospital's costs resulting from
11 projects that meet the requirements of section
12 396-K, subsection 3, paragraph E.

13 (1) Except as provided in subparagraph (2),
14 the adjustment under this paragraph shall
15 only be made as part of the annual revenue
16 limit determination and not as an interim
17 adjustment.

18 (2) Once during the course of its 3rd pay-
19 ment year, a hospital whose fiscal year com-
20 mences on or after October 1, 1986, and be-
21 fore March 1, 1987, may seek an adjustment
22 under this paragraph, if it has not sought
23 such an adjustment as part of its 3rd pay-
24 ment year revenue limit filing.'

25 Further amend the Bill in section 8 in that part
26 designated "§396-K" in subsection 3, paragraph A by
27 striking out all of subparagraphs (2) and (3) and in-
28 serting in their place the following:

29 '(2) The ability of the citizens of the
30 State to underwrite the additional costs;

31 (3) The limitations imposed on payments for
32 new facilities and services by the Federal
33 Government pursuant to the United States So-
34 cial Security Act, Title XVIII and XIX;

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- 1 (4) The special needs of small hospitals;
2 (5) The historic needs and experience of
3 hospitals over the past 5 years;
4 (6) The amount in the account for the pre-
5 vious years and the level of utilization by
6 hospitals in those years;
7 (7) Obsolescence of physical plants;
8 (8) Technological developments; and
9 (9) Management services or other improve-
10 ments in the quality of care.

11 The commission shall report, no later than Janu-
12 ary 15th of each year, to the joint standing com-
13 mittee of the Legislature having jurisdiction
14 over human resources regarding the rationale the
15 commission used in establishing the amount cred-
16 ited to the Hospital Development Account in the
17 previous year.'

18 Further amend the Bill in section 8 in that part
19 designated "§396-K" in subsection 3 by striking out
20 all of paragraph D and inserting in its place the
21 following:

22 'D. The component specified in paragraph B, sub-
23 paragraph (2), shall be allocated to individual
24 hospitals. The amount allocated to each hospital
25 shall be considered the hospital's individual de-
26 velopment account and shall be determined as fol-
27 lows:

- 28 (1) 0.5% of the individual hospital compo-
29 nent specified in paragraph B, subparagraph
30 (2), shall first be allocated to each hospi-
31 tal; and
32 (2) The remainder of the individual hospi-

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1 tal component shall then be allocated to
2 each hospital by dividing the hospital's
3 payment year financial requirements by the
4 total payment year financial requirements of
5 all hospitals and multiplying that quotient
6 by the amount of the remainder. For purposes
7 of this calculation, the payment year finan-
8 cial requirements of a hospital are the most
9 recent payment year financial requirements
10 determined as of the first day of each pay-
11 ment year cycle, regardless of whether those
12 financial requirements are determined pursu-
13 ant to a proposed revenue limit, a provi-
14 sional revenue limit or a final revenue lim-
15 it as of that date.'

16 Further amend the Bill in section 8 in that part
17 designated "§396-K." in subsection 3, paragraph E in
18 the last line (page 11, line 38 in L.D.) by striking
19 out the underlined word "if"

20 Further amend the Bill in section 8 in that part
21 designated "§396-K." in subsection 3, paragraph E,
22 subparagraph (1) in the first line (page 11, line 39
23 in L.D.) by striking out the underlined word "The"
24 and inserting in its place the underlined words "If
25 the'

26 Further amend the Bill in section 8 in that part
27 designated "§396-K." in subsection 3, paragraph E,
28 subparagraph (2) in the first line (page 12, line 7
29 in L.D.) by striking out the underlined word "The"
30 and inserting in its place the following: 'To the ex-
31 tent that the'

32 Further amend the Bill by renumbering the sec-
33 tions to read consecutively.

1 STATEMENT OF FACT

2 This amendment makes the following changes:

3 1. Clarifies the language in section 3 concern-
4 ing the publication of anonymous letters;

5 2. Adds a new section to require the Department
6 of Human Services, when reviewing certificate of need
7 applications for facilities within 30 miles of the
8 State's border, to consider the gains that may be an-
9 ticipated from:

10 A. The ability to attract health care consumers
11 from out-of-state; and

12 B. The ability to retain Maine health care con-
13 sumers in Maine facilities;

14 3. Amends section 7 of the bill to provide
15 one-time interim adjustment to financial requirements
16 for these hospitals whose fiscal years begin near or
17 before implementation of this bill. This assures that
18 all hospitals would be able to benefit from the 20%
19 portion, the individual hospital component, of the
20 Hospital Development Account in the 3rd payment year;

21 4. Requires the commission to consider addition-
22 al specified criteria in establishing an amount to be
23 credited to the Hospital Development Account and re-
24 quires them to report this rationale in setting that
25 amount to the Joint Standing Committee on Human Re-
26 sources;

27 5. Gives special consideration to the needs of
28 small hospitals by distributing the individual hospi-
29 tal components of the Hospital Development Account on
30 a formula which provides a minimum base allocation to
31 small hospitals before the remainder of the account
32 is allocated on a pro rata basis to each hospital;
33 and

