

SECOND REGULAR SESSION				
C	ONE HUNDRED	AND TWELF	TH LEGIS	SLATURE
Legislative D)ocument			No. 2044
S.P. 812			In Sei	nate, February 21, 1986
Approved pursuant to J		n by a majori	ty of the Le	gislative Council
		ee on Human	Resources	suggested and ordered
printeer		JOY J.	O'BRIEN,	Secretary of the Senate
Cosponso	Senator Gill of C ored by Represen d Representative	tative Rolde o		presentative Rydell of
	SI	ATE OF MA	INE	
	IN THE NINETEEN H	YEAR OF IUNDRED AN		
Ca	AN ACT Esta alculations	blishing for all M	Equal Re aine Hos	evenue pitals.
Be it enac follows:	cted by the	People of	the Sta	te of Maine as
	1. 22 MRSA 579, §10, is			is enacted by PL
3. <u>Ne</u>	ew hospital	s. The	commissi	on shall estab-
lish, by n	regulation,	a methodo	logy for	computing base
	ncial requir			
				ons on or after
				include reason-
the Maine	to pusca OM a Cawtifie:	the costs	a let T	ed pursuant to This methodology
	consistent w			
				referred to in
				projected ex-
penses sl	nall be used	l. The me	thodoloc	y for hospitals
which app	lied for app	roval pur	suant to	the Maine Cer-
tificate d	of Need Act	of 1978	after	September 23,

.

1 <u>1983, may include reasonable provisions to reflect</u> 2 <u>costs approved pursuant to the Maine Certificate of</u> 3 <u>Need Act of 1978.</u>

4 Sec. 2. 22 MRSA §396-B, sub-§4 is enacted to 5 read:

6 <u>4. Test. The commission shall verify that the</u> 7 <u>base year financial requirements for hospitals set</u> 8 <u>under subsections 2 and 3 satisfy the criteria of</u> 9 <u>section 396, subsection 2.</u>

10 Sec. 3. 22 MRSA §397, sub-§3-A is enacted to
11 read:

12 <u>3-A. Evidence. In all contests under section</u> 13 <u>398, subsection 1, every party, including the execu-</u> 14 <u>tive director, shall place in the record all evidence</u> 15 <u>on which he relies to support his position on all</u> 16 <u>contested issues.</u>

17

36

STATEMENT OF FACT

18 This bill corrects inequities created in the Health Care Finance Act, creating a different stan-19 20 dard of revenue calculation for hospitals coming into 21 operation in a certain time period; because of this, one hospital is having difficulty establishing a fair 22 23 budget with the commission. This bill does 3 things 24 to remedy this problem.

I. It allows a budget methodology consistent
 with the other 42 hosptials so everyone operates on
 the same basis.

28 2. It requires the commission to compare revenue
29 limits to be established with the standard in the law
30 dealing with the recovery of reasonable costs and
31 fair return on investment.

32 3. The bill requires that every party in a com-33 mission proceeding introduce all of his evidence be-34 fore decisions are made. Again this change is to es-35 tablish more fairness in the process.

5287012786