

# MAINE STATE LEGISLATURE

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L.D. 2433  
(Filing No. H-729 )

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
113TH LEGISLATURE  
SECOND REGULAR SESSION

7 COMMITTEE AMENDMENT "<sup>B</sup>" to H.P. 1780, L.D. 2433,  
8 Bill, "AN ACT to Allow Greater Flexibility in  
9 Education, Financial Assistance, Training and Wages  
10 Relating to Health Care Facilities Experiencing Labor  
11 Shortages."

12 Amend the bill in section 1, in that part  
13 designated "§12102." in subsection 3, in the 6th line  
14 (page 3, line 8 in L.D.) by inserting after the  
15 underlined word "scholarship" the underlined word 'or'

16 Further amend the bill in section 1, by striking  
17 out all of that part designated "§12104." (page 3,  
18 lines 30 to 34 in L.D.)

19 Further amend the bill in section 3, in paragraph  
20 G, in the 3rd line (page 4, line 21 in L.D.) by  
21 inserting after the underlined word "compensation" the  
22 following: 'for professional medical personnel,  
23 including nurses and certified nurse assistants, and  
24 other nonmedical personnel, excluding department head  
25 and vice-president levels or above'

26 Further amend the bill in section 3, in paragraph  
27 G, in the 13th line (page 4, line 31 in L.D.) by  
28 inserting after the underlined word "years" the  
29 following: 'and that the hospital will experience  
30 economic hardship without additional funds. "Economic  
31 hardship" means having an operating margin of less

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1 than 3%.'

2 Further amend the bill in section 4, by inserting  
3 after the 6th line the following:

4 'Higher Education Services

5	Positions	(1)
6	Personal Services	\$ 28,624
7	All Other	2,000

8 Provides funds for an  
9 Educational Specialist  
10 I and related expenses  
11 to administer the  
12 Maine Health Care  
13 Workers' Scholarship  
14 and Loan Fund.'

15 Further amend the bill by inserting at the end  
16 before the statement of fact the following:

17		
18	'TOTAL	<u>\$530,624</u>

19 FISCAL NOTE

20 The bill also directs the Maine Health Care  
21 Finance Commission to make adjustments to a hospital's  
22 financial requirements for "reasonable educational  
23 benefits" for employees enrolled in programs to become  
24 allied health professionals and also for the cost of  
25 recruiting personnel. Since this provision is  
26 discretionary on the part of individual hospital  
27 administrators, the cost cannot be determined;  
28 however, it should be noted that the potential pass  
29 through could be several million dollars. This will  
30 impact both the costs of state employees' and  
31 teachers' Blue Cross premiums and the State's share of  
32 the Medicaid program.'

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1 STATEMENT OF FACT

2 This amendment retains the Maine Health Care  
3 Worker's Scholarship and Loan Fund, deleting the  
4 administrative cost section, and corrects a  
5 grammatical error.

6 Section 2 of the bill amends the Maine Revised  
7 Statutes, Title 22, section 396-D, subsection 9, to  
8 clarify the designation of 2 provisions added in the  
9 last legislative session.

10 This amendment also amends section 3 of the bill  
11 to clarify the type and level of employee to which  
12 this adjustment to a hospital's financial requirements  
13 applies and to establish economic hardship as the  
14 condition for applying, but economic hardship is  
15 redefined to mean a minimal operating margin. The  
16 intent of this change is that the Maine Health Care  
17 Finance Commission shall make adjustments pursuant to  
18 this provision without making the hospital use all of  
19 its operating margin for this purpose.

20 Section 3 of the bill expands the provision  
21 enacted by Public Law 1987, chapter 440, section 3  
22 which authorized the commission to adjust hospital  
23 revenue limits for increases in the compensation of  
24 professional medical personnel beyond those provided  
25 for in other commission adjustments, when necessary to  
26 retain and recruit such employees. Under existing  
27 law, the adjustment is available only to the extent  
28 that the necessary compensation increases cause a  
29 hospital's noncapital operating expenses to exceed the  
30 noncapital financial requirements on which their  
31 revenue limits are based. That part of section 3  
32 which enacts Title 22, section 396-D, paragraph G,  
33 would expand the compensation adjustment to apply to  
34 compensation of all hospital workers instead of  
35 medical professionals only; to apply whenever a  
36 hospital is earning an operating profit of less than  
37 3% of revenues; and to include employee benefit costs  
38 as well as wages and salaries. Section 3 would also  
39 add in paragraph H a separate adjustment for any  
40 reasonable educational benefits for training of

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1 hospital employees to become allied health care  
2 professionals and in paragraph I an adjustment for  
3 recruiting costs, including travel, advertising,  
4 assumption of educational loans and agency fees.

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Reported by the Minority of the Committee on Human Resources  
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