

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 691

H.P. 511

House of Representatives, March 7, 1989

Reference to the Committee on Human Resources suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative ROLDE of York.

Cosponsored by Representative BOUTILIER of Lewiston and Senator GAUVREAU of Androscoggin.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-NINE

**Resolve, to Establish the Commission to Study the Feasibility of
Developing Mature Care Systems in Maine.**



1 **Commission established. Resolved:** That there is established
2 the Commission to Study the Feasibility of Developing Mature Care
3 Systems in Maine; and be it further

4 **Membership; appointment; compensation. Resolved:** That the
5 commission shall consist of 14 members as follows: 3 Senators,
6 appointed by the President of the Senate; 3 members of the House
7 of Representatives, appointed by the Speaker of the House; the
8 Commissioner of Human Services or a designee and one
9 representative each from the Maine Health Care Association; the
10 Maine Hospital Association; the Home Care Alliance of Maine; the
11 Maine Committee on Aging; the American Association of Retired
12 Persons; UNUM; and Blue Cross and Blue Shield of Maine.

13 The commission shall select a chair from among its members.
14 The Executive Director of the Legislative Council shall convene
15 the first meeting, which shall take place no later than 30
16 calendar days after the effective date of this resolve.
17 Legislative members of the commission shall receive per diem
18 compensation and other voting members of the commission shall be
19 compensated for their expenses. The commission may organize
20 subcommittees to investigate specific areas of study and may hold
21 hearings in the course of its study; and be it further
22

23 **Study authorized. Resolved:** That the commission shall conduct
24 an independent analysis and review of:

25 1. The feasibility of establishing 2 mature care programs,
26 one in an urban setting and the other in a rural setting to
27 demonstrate new systems of financing health care services for
28 those people over 65 years of age;

29 2. Methods to develop more innovative financing strategies,
30 such as capitation and prepayment for services for the mature
31 market, including the benefits and risks of these alternative
32 financial arrangements;

33 3. The possible effects of restructuring the financing and
34 delivery systems on the current Medicare and Medicaid shortfalls;

35 4. The redesign of the State's Medicaid programs to
36 stimulate and complement the development of private long-term
37 care insurance; and

38 5. The effect of mature care systems on developing
39 equitable wage and salary policies for direct care providers
40 regardless of setting; and be it further
41

42 **Reports. Resolved:** That the commission shall present its
43 findings, together with any necessary implementing legislation,
44 to the joint standing committee of the Legislature having
45

1 jurisdiction over human resources and to the Second Regular
3 Session of the 114th Legislature by January 29, 1990; and be it
further

5 **Assistance. Resolved:** That the commission may contract for
7 consulting services for staff support.

9 **STATEMENT OF FACT**

11 Forty-seven percent of Maine's approximately 1,000,000 days
13 of hospital care provided each year are for those patients over
age 65. Of the 3,000,000 days of care provided each year in
15 Maine's nursing homes, virtually all of them are for those over
age 65. Similarly, Maine's home care services are provided
17 almost exclusively to elderly Maine citizens.

19 Medicare, Medicaid, and to a lesser extent, private pay and
private insurance provide the financing for this care. While the
21 Maine Health Care Finance Commission controls hospital payment on
behalf of all the payers, there is no coordination among the
23 payers for any of the other services. Each service is provided
under its own particular payment scheme with the adequacy of
25 those payments determined by various means and effected by
various legislative, regulatory and market means.

27 The delivery system is more coordinated than the financing
or payment systems. Maine's providers have and continue to
29 organize themselves into systems of care, both horizontally
integrated (single levels of care) and vertically integrated
31 (multiple levels of care). None of these models yet contain a
broad-based physician component in other than a fee-for-service
33 model; but they, nonetheless, are organized to help consumers by
providing a broad array of services in a single setting.

35 To date, there has been no effort in Maine to create
37 financing mechanisms that would either respond to or encourage
the continued development of patient-focused systems of care that
39 would be oriented toward the population over 65 years of age.
There are national models that can serve as examples, but to
41 date, there is no Maine experience.

43 This bill will establish a commission to study the
feasibility of developing two demonstration programs, one in an
45 urban and one in a rural area, of coordinated health care
financing and delivery systems.