



# 114th MAINE LEGISLATURE

# **FIRST REGULAR SESSION - 1989**

Legislative Document

No. 1235

H.P. 891

House of Representatives, April 19, 1989

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

EDWIN H. PERT, Clerk

Presented by Representative MANNING of Portland. Cosponsored by Representative PENDLETON of Scarborough.

STATE OF MAINE

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

An Act to Require Licensure of Clinics.



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

Sec. 1. 22 MRSA §1811, as amended by PL 1967, c. 231, §1, is further amended to read:

§1811. License required; definitions

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No person, partnership, association or corporation, nor any county or local governmental units, shall may establish, conduct 9 or maintain in the State any hospital, sanatorium, convalescent 11 home, rest home, nursing home, clinic or other institution for the hospitalization or nursing care of human beings without first obtaining a license therefor. Hospital, sanatorium, convalescent 13 rest home, nursing home, clinic and other related home, institution, within the meaning of this chapter, shall mean any 15 institution, place, building or agency in which any accommodation 17 is maintained, furnished or offered for the hospitalization of the sick or injured or care of any aged or infirm persons requiring or receiving chronic or convalescent care. Nothing in 19 this chapter shall may apply to hotels or other similar places that furnish only board and room, or either, to their guests or 21 to such homes for the aged or blind as may be subject to 23 licensing under any other law.

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#### Sec. 2. 22 MRSA §1812-E is enacted to read:

27 **§1812-E.** Clinic

29 "Clinic" means any entity, however organized, whether conducted for profit or not for profit, which is advertised, announced, established or maintained for the purpose of providing 31 ambulatory medical, surgical, dental, physical rehabilitation or mental health services. In addition, "clinic" includes any 33 entity, however organized, whether conducted for profit or not for profit, which is advertised, announced, established or 35 maintained under a name which includes the word "clinic," "dispensary" or "institute," and which suggests that ambulatory 37 medical, surgical, dental, physical rehabilitation or mental health services are rendered therein. With respect to any entity 39 which is not advertised, announced, established or maintained under one of the names in this section, "clinic" shall not 41 include a medical office building or one or more practitioners 43 engaged in a solo or group practice, whether conducted for profit or not for profit, and however organized, as long as the practice 45 is wholly owned and controlled by one or more of the practitioners so associated, or, in the case of a not for profit 47 organization, its only members are one or more of the practitioners so associated or a clinic established solely to provide service to employees or students of the corporation or 49 institution. For purposes of this section, clinic shall not include a clinic conducted by a hospital licensed under 51 applicable laws.

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Sec. 3. 22 MRSA §1813, as amended by PL 1967, c. 231, §3, is further amended to read:

§1813. Existing hospitals must obtain licenses

No person, partnership, association or corporation, nor any county or local governmental units, may continue to operate an existing hospital, sanatorium, convalescent home, rest home  $\Theta F_{\perp}$ nursing home, or clinic nor open a hospital, sanatorium, convalescent home, rest home  $\Theta F_{\perp}$  nursing home or clinic unless such the operation shall-have-been is approved and regularly licensed by the State.

Sec. 4. 22 MRSA §1815, as amended by PL 1981, c. 703, Pt. A, 15 §12, is further amended to read:

17 **§1815.** Fees

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Each application for a license to operate a hospital, convalescent home er, nursing home or clinic shall be accompanied
by a fee of \$50 for facilities less than 50 beds in size, a fee of \$100 for facilities 51 to 100 beds in size, and a fee of \$200
for facilities larger than 100 beds in size. No such fee shall may be refunded. All licenses issued shall be renewed annually
upon payment of a like fee. The state's <u>State's</u> share of all fees received by the department under this chapter shall be deposited in the General Fund. No license granted shall may be assignable or transferable.

Sec. 5. 22 MRSA §1817, as repealed and replaced by PL 1977, 31 c. 694, §345, is amended to read:

33 §1817. Issuance of licenses

The department is authorized to issue licenses to operate 35 hospitals, sanatoriums, convalescent homes, rest homes, nursing homes, clinics or other related institutions, 37 which, after inspection, are found to comply with this chapter and any regulations adopted by the department. When any institution, upon 39 inspection by the department, shall be found not to meet all this 41 chapter regulations requirements of or departmental thereunder, the department is authorized to issue either a temporary license for a specified period not to exceed 90 days, 43 during which time corrections specified by the department shall be made by the institution for compliance with this chapter and 45 departmental regulations thereunder, if in the judgment of the commissioner the best interests of the public will be so served, 47 or a conditional license setting forth conditions which shall be 49 met by the institution to the satisfaction of the department. Failure of the institution to meet any of these conditions shall immediately void the conditional license by written notice 51 thereof by the department to the conditional licensee or, if the

1 licensee cannot be reached for personal service, by notice thereof left at the licensed premises. The fee for this temporary or conditional license shall be \$15 and shall be payable at the 3 time of issuance of such a license. A new application for a regular license may be considered by the department if, when and 5 after the conditions set forth by the department at the time of 7 the issuance of this temporary or conditional license have been met and satisfactory evidence of this fact has been furnished to 9 the department. The department may amend, modify or refuse to license hereunder in conformity with the renew а Maine 11 Administrative Procedure Act, Title 5, chapter 375, or file a complaint with the Administrative Court requesting suspension or 13 revocation of any license on any of the following grounds: Violation of this chapter or the rules and regulations issued 1.5 pursuant thereto; permitting, aiding or abetting the commission of any illegal act in that institution; conduct of practices detrimental to the welfare of the patient; provided that 17 whenever, on inspection by the department, conditions are found to exist which violate this chapter or departmental regulations 19 issued thereunder which, in the opinion of the commissioner, 21 immediately endanger the health or safety of patients, or both the health and safety, in any of the institutions or to such an extent as to create an emergency, the department by its duly 23 authorized agents may, under the emergency provisions of Title 4, section 1153, request that the Administrative Court suspend or 25 revoke the license.

## STATEMENT OF FACT

The purpose of this bill is to improve the quality of health 33 care in Maine by assuring that all institutions or facilities which offer medical or health services to the public, but which 35 are not affiliated with a licensed hospital, meet the minimum standards and requirements applicable to the licensed health care 37 institutions and facilities.

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