MAINE STATE LEGISLATURE

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L.D. 1579

2	(T111 - N - G 206)
4	(Filing No. S-306)
6	
8	STATE OF MAINE SENATE 115TH LEGISLATURE
10	FIRST REGULAR SESSION
12	
14	SENATE AMENDMENT "A" to HOUSE AMENDMENT "A" to S.P. 594 L.D. 1579, Bill, "An Act to Limit Major Third-party Payor Status to Governmental Payors"
16	Amend the amendment by inserting before section 3 the
18	following:
20	'Sec. 3. 22 MRSA §396, sub-§3, as repealed and replaced by PI 1989, c. 588, Pt. A, §9, is amended to read:
22	
24	3. Average revenue per case payment system. The commission shall establish an average revenue per case payment system.
26	The per case system shall must have 2 3 components.
28	A. The commission shall establish and approve limits on the average revenue per case mix adjusted inpatient admission,
30	exclusive of the capital-related revenues subject to the
32	component established under paragraph C.
34	B. For payment years beginning or deemed to begin on or after October 1, 1992, the commission shall regulate outpatient services by setting the rate per unit of service
36	by department, exclusive of the capital-related revenues subject to the component established under paragraph C. For
38	payment years beginning or deemed to begin before October 1, 1992, the commission shall establish revenue limits for
40	outpatient services using methods consistent with those used in setting gross patient service revenue limits for payment
42	years beginning prior to October 1, 1990, except that the capital-related revenues subject to the component
44	established under paragraph C must be excluded. Nothing in this paragraph prohibits the commission from refining or
46	modifying the method of adjusting for outpatient volume.

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C. The commission shall establish and approve a separate gross patient service revenue limit component for those revenues necessary to provide a reasonable opportunity for each hospital to recover its total allowance for facilities and equipment as determined under section 396-D, subsection 3. This component must limit total revenues rather than revenues per admission or unit of service.

D. For payment years beginning before October 1, 1992, the commission may combine all or part of the component established under paragraph C with the component established under paragraph B.'

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STATEMENT OF FACT

This amendment modifies the rate per case system in order to ensure that hospital charges are limited to the total amount necessary to recover allowances for capital costs, regardless of the number of units of outpatient service and the number of inpatient admissions that occur in a given payment year. This is accomplished by adding a 3rd component to the rate per case system. By means of this 3rd component, capital costs continue to be subject to a total revenue limit, rather than a per case or per unit limit. For those years in which outpatient services are governed by a total revenue limit, the commission is given the discretion to combine the outpatient limit and the capital cost limit.

34 (Senator CONLEY SPONSORED BY:

COUNTY: Cumberland

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