

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

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Legislative Document

No. 1561

S.P. 535

In Senate, June 14, 1993

**An Act to Collect Baseline Data to Facilitate Health Care Reform.**

(EMERGENCY)

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Reported by Senator MCCORMICK of Kennebec for the Joint Standing Committee on Banking and Insurance pursuant to Joint Order S.P. 527.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, in order for the Joint Standing Committee on Banking and Insurance to give thorough consideration to health care reform measures that will be before the Second Regular Session of the 116th Legislature, the collection of certain baseline data is necessary; and

Whereas, that data can be collected by the Joint Standing Committee on Banking and Insurance beginning in mid-July and continuing through December; and

Whereas, it is necessary that this legislation be enacted as an emergency measure in order to enable the Joint Standing Committee on Banking and Insurance to begin its duties in a timely manner; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. Working group.** The Working Group to Collect Baseline Data to Facilitate Health Care Reform, referred to in this Act as "the working group," is established.

**Sec. 2. Working group membership.** The working group consists of the 13 members of the Joint Standing Committee on Banking and Insurance and 3 members of the Executive Department appointed by the Governor within 20 days following the effective date of this Act. The Governor shall notify the Executive Director of the Legislative Council upon making his appointments. The appointed members may attend the meetings of the working group or may be represented by designees at the meetings. The cochairs of the Joint Standing Committee on Banking and Insurance shall serve as cochairs of the working group.

**Sec. 3. Duties.** The working group shall hold meetings, ask questions and receive data on health care from a broad range of interested parties invited to present information to the working group. The working group shall consult with the Health Care Reform Advisory Committee. The working group shall seek answers, including the direct and indirect costs and cost trends, to the following questions about health care and any other information that the working group considers important to the charge of the working group.

- 2 1. What services are being provided by hospitals and at  
4 what cost? How could service be provided in the future and at  
6 what cost and what savings? How are hospitals financed?
- 8 2. What services are being provided by health care  
10 providers, including but not limited to physicians,  
12 chiropractors, mental health and allied health professionals,  
14 other health professionals and health clinics and centers and at  
16 what cost? What services could be provided in the future and at  
18 what cost?
- 20 3. What services are being provided by present programs on  
22 the state and federal levels and at what cost? What services  
24 could be provided in the future and at what cost?
- 26 4. What is the cost of health care services now? What will  
28 they cost in the future? Who pays what amounts, directly and  
30 indirectly?
- 32 5. What does medical malpractice cost? What could it cost  
34 in the future? Are there recent changes in costs and practices?
- 36 6. What is the data on health care access, geographic and  
38 demographic? What could the situation be in the future?
- 40 7. What is the health care situation of uninsured persons?  
42 What are the costs of service to uninsured persons and are  
44 savings possible? What are the unmet health care needs of the  
46 people of the State? What are the costs of meeting unmet needs  
48 and are savings possible?
- 50 8. What are the costs of prescription drugs and what could  
the costs be in the future? Are changes possible in the  
provision of and payment for prescription drugs?
9. What are the costs of long-term care and what could the  
costs be in the future? Are changes possible in the provision of  
and payment for long-term care?
10. What are the costs of home health care and what could  
the costs be in the future? Are changes possible in the  
provision of and payment for home health care?
11. What are the status, present role and future of  
preventive care? What is the impact on health care, access and  
cost of preventive care?
12. What is the status, present role and future of cost  
control methods including but not limited to volume and intensity  
controls, primary care case management, centralized and uniform

1 billing, claims processing and utilization review? What is the  
2 impact of these factors on health care, access and cost?

4 13. What are the present role and future of health care  
treatment patterns? What is the impact of these patterns on  
6 health care, access and cost?

8 14. What are the costs of workers' compensation medical  
services and what could the costs be in the future? What is  
10 their impact on health care, access and costs? What could be the  
financial impact of combining the workers' compensation medical  
12 system with the health care system? Could there be an effect on  
workers' compensation litigation from providing health care  
14 regardless of cause?

16 15. What are the costs of auto insurance medical services  
and what could the costs be in the future? What is the impact on  
18 health care, access and cost? What could be the financial impact  
of combining the auto insurance medical system with the medical  
20 system?

22 16. What are the costs of other insurance medical services  
and what could the costs be in the future? What is their impact  
24 on health care, access and costs? What could be the financial  
impact of combining the other insurance medical system with the  
26 health care system?

28 **Sec. 4. Health Care Reform Advisory Committee.** The working  
group must be advised by the Health Care Reform Advisory  
30 Committee established in this section. The working group shall  
consult with the committee regularly and send notice to all  
32 committee members of the meetings of the working group. If a  
group is unable to agree on a representative, the working group  
34 shall select a representative or, if there are sufficiently  
different interests, the working group may select more than one  
36 representative if the working group votes to do so by a vote of  
3/4 of the membership of the working group. The committee shall  
38 be composed of the following members:

40 1. The following individuals or their designees:

42 A. The Commissioner of Human Services;

44 B. The Superintendent of Insurance;

46 C. The Director of the Bureau of Health;

48 D. The Director of the Veterans' Administration in Maine;  
and

50 E. The Dean of the University of New England College of  
52 Medicine;

- 2           2. A representative of each of the following groups who  
must be selected by the group members:
- 4           A. Employers of more than 10 employees that provide health  
care benefits for their employees; and
- 6           B. Employers of fewer than 10 employees;
- 8           3. A representative of each of the following groups, who  
10 must be selected by the group members:
- 12          A. Allopathic physicians;
- 14          B. Osteopathic physicians;
- 16          C. Chiropractors;
- 18          D. Hospitals;
- 20          E. Dentists;
- 22          F. Nurses;
- 24          G. Rural health professionals;
- 26          H. Family planning professionals;
- 28          I. Allied health professionals;
- 30          J. Mental health professionals;
- 32          K. Substance abuse treatment professionals;
- 34          L. Long-term care professionals;
- 36          M. Community health professionals; and
- 38          N. Environmental health professionals;
- 40          4. A representative of Blue Cross and Blue Shield of Maine;
- 42          5. A representative of commercial insurance carriers  
selected by commercial insurance carriers; and
- 44          6. Representatives of consumers selected as follows:
- 46           A. A representative of elderly persons selected by groups  
48 representing elderly persons;
- 50           B. A representative of organized labor selected by groups  
representing organized labor;
- 52

- 2 C. A representative of persons with disabilities  
selected by groups representing persons with  
4 disabilities;
- 6 D. A representative of low-income consumers selected  
by groups representing low-income consumers;
- 8 E. A representative of advocates for consumers of  
health care selected by groups representing advocates  
10 for consumers of health care;
- 12 F. A representative of uninsured consumers selected by  
groups representing uninsured consumers;
- 14 G. A representative of taxpayers selected by groups  
representing taxpayers;
- 16
- 18 F. A representative of women selected by groups  
representing women;
- 20
- 22 G. A representative of persons with HIV selected by  
groups representing persons with HIV;
- 24
- 26 H. A representative of children selected by groups  
representing children;
- 28
- 30 I. A representative of veterans selected by groups  
representing veterans; and
- 32 J. A representative of other consumer groups selected  
by groups representing other consumers.

34 All groups shall name their representatives on or before  
July 18, 1993 and shall send notice of the named persons to the  
Executive Director of the Legislative Council on or before July  
36 21, 1993. Advisory committee members serve without compensation  
or reimbursement for expenses.

38 **Sec. 5. Meetings.** The working group shall hold its first  
40 meeting on or before July 22, 1993 in Augusta and shall hold  
meetings at least once a month in Augusta until December 15,  
42 1993. All meetings must be public meetings and include setting  
the agenda for the next meeting and identifying the parties to be  
44 invited to provide data to the working group.

46 **Sec. 6. Powers.** The working group may receive grants and  
hire consultants subject to the provisions of section 7. The  
48 working group shall request staffing assistance from the  
Legislative Council. Consultation, information and assistance  
50 must be provided as required by the Maine Health Care Finance  
Commission,

2 the Bureau of Insurance, the Department of Administrative and  
Financial Services, the Department of Human Services, the  
4 Department of Mental Health and Mental Retardation and the  
Workers' Compensation Board.

6 **Sec. 7. Reimbursement.** The members of the working group are  
entitled to reimbursement for their expenses for the days of  
8 attendance at working group meetings upon request from the  
Executive Director of the Legislative Council who shall  
10 administer the budget of the working group.

12 **Sec. 8. Funding.** The Legislative Council may seek funding  
for the working group from outside sources and foundations. The  
14 Legislative Council may authorize the working group to develop  
funding proposals, which must be reviewed and approved by the  
16 Executive Director of the Legislative Council prior to  
submission. Before approving a funding source, the Executive  
18 Director of the Legislative Council shall consider whether  
accepting funds from a particular source will risk the appearance  
20 of undue influence upon the working group, and if a determination  
is made that accepting the funds will cause such a risk, approval  
22 must be withheld. The Legislative Council shall administer any  
outside funds acquired for the work of the working group,  
24 including approval or disapproval of any contract for assistance  
to the working group in accordance with the guidelines adopted by  
26 the Legislative Council for contractual services.

28 **Sec. 9. Appropriation.** The following funds are appropriated  
from the General Fund to carry out the purposes of this Act.

30

1993-94

32

LEGISLATURE

34

**Working Group to Collect Baseline Data  
36 to Facilitate Health Care Reform**

38

Personal Services

\$ 5,720

All Other

6,200

40

42

Provides funds to the Working Group to  
44 Collect Baseline Data to Facilitate Health  
Care Reform for the per diem and expenses of  
members and for miscellaneous working group  
46 expenses.

48

**LEGISLATURE  
TOTAL**

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\$11,920



FISCAL NOTE

1993-94

2

4 APPROPRIATIONS/ALLOCATIONS

6 General Fund \$11,920

8 This bill provides a General Fund appropriation of \$11,920  
10 to the Legislature in fiscal year 1993-94 for the per diem and  
12 expenses of the Working Group to Collect Baseline Data to  
14 Facilitate Health Care Reform. The Legislature is also  
16 authorized to seek outside sources of funding in order to hire  
18 actuaries or other consultants. The Legislature can absorb the  
20 costs of staffing the group if the group's meetings are held  
22 during the interim between sessions.

24 The Maine Health Care Finance Commission, the Workers'  
18 Compensation Board, the Department of Professional and Financial  
20 Regulation, the Department of Administrative and Financial  
22 Services, the Department of Human Services and the Department of  
24 Mental Health and Mental Retardation can absorb the costs related  
to providing assistance and information to the group within  
existing budgeted resources.

26 **Emergency clause.** In view of the emergency cited in the  
preamble, this Act takes effect when approved.

28

STATEMENT OF FACT

30

32 This bill creates the Working Group to Collect Baseline Data  
34 to Facilitate Health Care Reform composed of the 13 members of  
the Joint Standing Committee on Banking and Insurance and 3  
members appointed by the Governor from the Executive Department.

36 The working group is charged with asking questions and  
38 receiving data on health care from a broad range of interested  
parties invited to present information to the working group.  
40 The Health Care Reform Advisory Committee is established to  
advise the working group. The committee is made up of 34  
42 consumers, professionals, providers and interested persons.

44 The working group is directed to meet at least once a month  
from July 23 to December 15, 1993. The working group is  
46 authorized to apply for and receive grants and hire consultants  
and the working group must request staffing assistance from the  
Legislative Council.

48

50 An appropriation pays for expenses for meetings and costs  
for photocopying, mailing and printing.