MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1994

Legislative Document

No. 1835

S.P. 667

In Senate, February 8, 1994

An Act to Regulate Revenues for Merged Hospitals.

Submitted by the Department of the Attorney General pursuant to Joint Rule 24. Reference to the Committee on Human Resources suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator PARADIS of Aroostook. Cosponsored by Representative TREAT of Gardiner and Representative: GEAN of Alfred.

	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 22 MRSA §396-S is enacted to read:
4	
_	§396-S. Merged hospitals
6	Notwithstanding the other provisions of this chapter, the
8	following provisions apply to merged hospitals.
10	1. Base budget year. The commission shall establish a base
	budget for the year following the date of the merger. The base
12	budget must be determined by combining the total costs of the
	merging hospitals and subtracting any projected cost savings.
14	
	Annual adjustment. The base year must be adjusted
16	annually as set forth in the other provisions of this subchapter.
18	3. New base. The commission shall establish a new base for
20	merged hospitals every 3 years. The new base must be determined
20	using an analysis of the hospital's cost, projected savings from the merger and the costs from comparative hospitals as provided
22	in subsection 4.
22	III Subsection 4.
24	4. Comparative hospitals. The commission may establish, by
	rule, a comparative hospital market for any merged hospitals.
26	The comparative hospital market may be based upon hospitals
	existing in any part of the United States.
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30	
	STATEMENT OF FACT
32	
	This bill establishes a rate-setting mechanism for merged
34	hospitals.
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	en e
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40	This document has not yet been reviewed to determine the
	need for cross-reference, stylistic and other technical
42	amendments to conform existing law to current drafting standards.