

# MAINE STATE LEGISLATURE

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# 117th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1995

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Legislative Document

No. 1558

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H.P. 1110

House of Representatives, June 1, 1995

**An Act to Deregulate the Costs and Revenues Associated with Acute Care Provided to Involuntarily Committed Patients within the Hospital Care Finance System.**

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

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative WINGLASS of Auburn. (GOVERNOR'S BILL)  
Cosponsored by Representatives: BERRY of Livermore, BOUFFARD of Lewiston, BUNKER of Kossuth Township, CROSS of Dover-Foxcroft, DiPIETRO of South Portland, DONNELLY of Presque Isle, ETNIER of Harpswell, FITZPATRICK of Durham, GERRY of Auburn, GOOLEY of Farmington, GUERRETTE of Pittston, JOHNSON of South Portland, JOYNER of Hollis, LOVETT of Scarborough, MARVIN of Cape Elizabeth, MITCHELL of Portland, MURPHY of Berwick, PERKINS of Penobscot, POULIOT of Lewiston, REED of Dexter, SAMSON of Jay, SHIAH of Bowdoinham, SIMONEAU of Thomaston, SIROIS of Caribou, STONE of Bangor, Senators: BENOIT of Franklin, BERUBE of Androscoggin, HANLEY of Oxford, McCORMICK of Kennebec, PARADIS of Aroostook, PENDEXTER of Cumberland, PINGREE of Knox.

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

2  
4           **Sec. 1. 22 MRSA §382, sub-§7-A** is enacted to read:

6           **7-A. Involuntarily committed patient.** "Involuntarily  
8           committed patient" means a patient who is admitted for acute care  
10           to a hospital that is not a state mental health institute and  
12           whose care is authorized by the Department of Mental Health and  
14           Mental Retardation under a contract to provide acute care  
              services to class members in Bates v. Glover, No. CV-89-88 (Maine  
              Superior Court, Kennebec County). A patient remains classified  
              as an involuntarily committed patient only during those periods  
              of the hospital stay when the patient's care is authorized by the  
              Department of Mental Health and Mental Retardation.

16           **Sec. 2. 22 MRSA §395, sub-§4**, as enacted by PL 1983, c. 579,  
18           §10, is amended to read:

20           **4. Medical record abstract data.** In addition to the  
22           information required to be filed under section 394 and pursuant  
24           to rules adopted by the commission for form, medium, content and  
26           time of filing, each hospital shall file with the commission such  
              medical record abstract data as the commission may prescribe,  
              including data relating to involuntarily committed patients whose  
              care is authorized by the Department of Mental Health and Mental  
              Retardation.

28           **Sec. 3. 22 MRSA §396, sub-§2**, as repealed and replaced by PL  
30           1989, c. 588, Pt. A, §9, is amended to read:

32           **2. Criteria.** Subject to more specific provisions contained  
34           in this subchapter, the revenue limits and apportionment methods  
              established by the commission shall ~~shall~~ must ensure that:

36           A. The financial requirements of a hospital are reasonably  
              related to its total services;

38           B. A hospital's patient service revenues are reasonably  
40           related to its financial requirements; and

42           C. Rates are set equitably among all payors, purchasers or  
44           classes of purchasers of health care services without undue  
              discrimination or preference;

46           D. The costs of providing acute care to involuntarily  
48           committed patients are not included in the financial  
50           requirements of a hospital, nor are the revenues received  
              from providing the care considered in calculating a  
              hospital's patient service revenue limits. In addition, the  
              services provided to involuntarily committed patients may

2 not be considered in determining the volume of cases or  
3 discharges for purposes of adjusting financial requirements;  
4 and

5 E. Rates charged to patients who receive services similar  
6 to those provided to involuntarily committed patients but  
7 whose care is not authorized by the Department of Mental  
8 Health and Mental Retardation are comparable to rates  
9 charged for authorized care provided to involuntarily  
10 committed patients.

11 **Sec. 4. 22 MRSA §396-D, sub-§4, ¶A,** as enacted by PL 1983, c.  
12 579, §10, is amended to read:

13  
14  
15 A. In determining payment year financial requirements, the  
16 commission shall consider the reasonable expected impact on  
17 the hospital's financial requirements of changes in the  
18 volume of services required to be provided by the hospital,  
19 excluding services provided to involuntarily committed  
20 patients.

21 **Sec. 5. 34-B MRSA §1207, sub-§1, ¶B-2** is enacted to read:

22  
23 B-2. Information consisting of data relating to  
24 involuntarily committed patients whose care is authorized by  
25 the department must be disclosed by admitting hospitals to  
26 the Maine Health Care Finance Commission for the purpose of  
27 complying with the hospitals' obligations under Title 22,  
28 section 395;

29

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### STATEMENT OF FACT

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32  
33 As part of a consent decree to settle claims made against  
34 the State in connection to its operation of the Augusta Mental  
35 Health Institute, the State has agreed to establish  
36 community-based treatment options for patients who are  
37 involuntarily committed for mental health treatment. To meet  
38 that obligation, the Department of Mental Health and Mental  
39 Retardation intends to contract with hospitals to admit such  
40 patients, affecting over time approximately 48 hospital beds in  
41 southern Maine and approximately 14 beds in the Bangor area. To  
42 encourage hospitals to participate in such contracts, this bill  
43 excludes from regulation by the hospital care finance system the  
44 costs associated with providing care to involuntarily committed  
45 patients, as well as the revenues received to pay for that care.  
46 The most significant impact of that exclusion would be that the  
47 hospitals' Medicaid tax assessments, based on gross revenue  
48 limits, would not be increased as a result of those additional  
49 revenues collected for providing care to involuntarily committed  
50 patients.