

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1304

H.P. 980

House of Representatives, March 5, 2001

An Act to Create the Maine Health Data Processing Center.

Submitted by the Maine Health Data Organization pursuant to Joint Rule 204.
Reference to the Committee on Health and Human Services suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative FULLER of Manchester.
Cosponsored by Senator RAND of Cumberland and
Representatives: DUDLEY of Portland, Speaker SAXL of Portland, SHIELDS of Auburn,
Senator: MARTIN of Aroostook.

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

4 **Sec. 1. 10 MRSA c. 102-A** is enacted to read:

6 **CHAPTER 102-A**

8 **MAINE HEALTH DATA PROCESSING CENTER**

10 **§681. Establishment**

12 The Maine Health Data Processing Center is hereby
14 established to collect and process health care claims data in the
16 State. The center shall carry out its purposes in complement to
18 and in coordination with the Maine Health Data Organization and
20 the Maine Health Information Center.

22 The center exists as a not-for-profit corporation with a
24 public purpose, and the exercise by the center of the powers
26 conferred by this chapter is considered and held to be an
28 essential governmental function.

30 **§682. Function of center**

32 The Maine Health Data Processing Center is responsible for
34 the collection and processing of health care claims data in
36 coordination with existing state, regional and local agencies.
38 Such efforts include, but are not limited to, providing for or
40 stimulating the following provisions.

42 **1. Public, private partnerships.** The Maine Health Data
44 Processing Center shall strive to:

46 A. Establish and maintain an all-payor and all-setting
48 health care claims database system in addition to the Maine
Health Data Organization's existing databases;

B. Build upon the experience and expertise of the Maine
Health Data Organization and the Maine Health Information
Center to cost effectively collect, process, and maintain
health care claims data; and

C. Provide the Maine Health Data Organization with a health
care claims database in a meaningful and timely manner for
public dissemination subject to confidentiality requirements
under subsection 2.

2. Health care data. The Maine Health Data Processing
Center shall:

- 2 A. Collect and process data from 3rd-party payors, 3rd-party administrators and governmental agencies;
- 4 B. Establish a comprehensive statewide health care claims database in which all data are treated as confidential;
- 6 C. Provide the Maine Health Data Organization with a complete all payor and all-setting health care claims database for public use; and
- 8 D. Promote high-quality and accurate data to support easy and flexible access to the health care database by multiple users.

10 For purposes of determining which data is confidential, all data collected and processed by the Maine Health Data Processing Center is determined to be Maine Health Data Organization data and subject to Title 22, section 8707 and rules adopted under that section.

14 **§683. Board of directors; officers**

16 The Board of Directors of the Maine Health Data Processing Center, referred to in this chapter as the "board of directors," consists of a minimum of 8 directors elected to serve in that capacity in accordance with this section. The Maine Health Data Organization board of directors shall elect 1/2 of the directors from among its members, and the Maine Health Information Center board of directors shall elect 1/2 of the directors from among its members. The director of the Maine Health Data Organization and the president of the Maine Health Information Center are also ex officio members of the board of directors. A person may not serve as a director for more than 5 years in succession. The board of directors shall elect a chair and a vice-chair.

20 **§684. General powers**

22 The Maine Health Data Processing Center may:

24 1. Application for and receipt of funds. Apply for and receive funds from any private source or governmental entity, whether by way of grant, donation or loan or in any other manner;

26 2. Real and personal property. Purchase, receive, hold, lease or acquire by foreclosure and operate, manage, license and sell, convey, transfer, grant or lease real and personal property together with such rights and privileges as may be incidental and appurtenant to the real and personal property and the use of the real and personal property, including, but not limited to, any real or personal property acquired by the Maine Health Data

2 Processing Center from time to time in the satisfaction of debts
3 or enforcement of obligations;

4 **3. Expenditures and obligations regarding real and personal**
5 **property. Make all expenditures and incur any obligations**
6 **reasonably required in the exercise of sound business principles**
7 **to secure possession of, preserve, maintain, insure and improve**
8 **real and personal property or interests in the real and personal**
9 **property acquired by the Maine Health Data Processing Center;**

10
11 **4. Contracts and liabilities. Make contracts, including**
12 **contracts for services, and incur liabilities for any of the**
13 **purposes authorized in the contracts;**

14
15 **5. Cooperation with agencies and organizations. Cooperate**
16 **with and avail itself of the services of government agencies and**
17 **the University of Maine System and cooperate, assist and**
18 **otherwise encourage organizations, local or regional, private or**
19 **public, in the various communities of the State in the collection**
20 **and processing of health care data; and**

21
22 **6. Bylaws. Adopt bylaws not inconsistent with this chapter**
23 **for the governance of the affairs of the Maine Health Data**
24 **Processing Center, to have the general powers accorded**
25 **corporations under Title 13-A, section 202 and to do all other**
26 **things necessary or convenient to carry out the lawful purposes**
27 **of the center.**

28 **§685. Limitation of powers**

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30 The center does not have power or authority to enter into
31 contracts, obligations or commitments of any kind on behalf of
32 the State or any of its agencies, nor does it have the power of
33 eminent domain or any other power not provided to business
34 corporations generally.

35 **§686. Prohibited interests of officers, directors and employees**

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37 An officer, director or employee of the Maine Health Data
38 Processing Center or the spouse or dependent children of such a
39 person may not receive any direct personal benefit from the
40 activities of the center in assisting any private entity. This
41 provision does not prohibit corporations or other entities with
42 which an officer or director is associated by reason of ownership
43 or employment from participating in health care data collection
44 or processing activities with the center as long as the ownership
45 or employment is made known to the board of directors and that
46 director abstains from voting on matters relating to that
47 participation.

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§687. Funding

The State, through the Governor, may accept donations, bequests, devises, grants or other interests of any nature on behalf of the Maine Health Data Processing Center and transfer funds, property or other interests to the center. The Maine Health Data Organization may also provide legislatively authorized funds to the center for the purposes described in section 681.

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§688. Annual report; audit

The Maine Health Data Processing Center shall provide an annual report and an independent audit of its activities to the Governor, the Legislature, the Maine Health Data Organization board of directors and the Maine Health Information Center board of directors by January 1st of each year. The center is subject to such further audit and review determined necessary by the Governor or the Legislative Council at the expense of the State.

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§689. General conditions; dissolution

The Maine Health Data Processing Center shall operate as a not-for-profit organization consistent with its composition and broad public purposes. The following conditions shall apply to the operation or dissolution of the center.

1. Net earnings of the center. The net earnings of the Maine Health Data Processing Center may not inure to the benefit of any officer, director or employee, except that the center is authorized and empowered to pay reasonable compensation for services rendered and otherwise hold, manage and dispose of its property in furtherance of the purposes of the center.

2. Dissolution of center. Upon dissolution of the Maine Health Data Processing Center, the board of directors shall, after paying or making provision for the payment of all liabilities of the center, cause all of the remaining assets of the center to be transferred to the Maine Health Data Organization and the Maine Health Information Center in shares proportionate to the total revenue transferred to the center by each entity.

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§690. Liberal construction

This chapter must be construed liberally to effect the interest and purposes of the Maine Health Data Processing Center for an improved health care data collection and processing effort in the State and is broadly interpreted to effect such intent and purposes and not a limitation of powers.

2 **Sec. 2. Allocation.** The following funds are allocated from
Other Special Revenue funds to carry out the purposes of this Act.

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2001-02

2002-03

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**MAINE HEALTH DATA
ORGANIZATION**

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10 Maine Health Data Organization

12	Positions - Legislative Count	(3,000)	(3,000)
	Personal Services	\$175,796	\$181,109
14	All Other	242,323	286,000

16 Allocates funds for 2
18 Programmer Analysts and one
20 Planning and Research
22 Associate II to increase
24 access to and improve the
 utility of health care
 information and to provide
 funds for the establishment
 of the Maine Health Data
 Processing Center.

26

**MAINE HEALTH DATA ORGANIZATION
TOTAL**

28

\$418,119

\$467,109

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SUMMARY

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34 This bill establishes the Maine Health Data Processing
36 Center, a nonprofit organization to collect and process health
38 care claims data in Maine. The center is created as a
40 public/private partnership that can capitalize on the interests,
 resources and efforts of each sector. The center shall carry out
 its responsibilities with direction from the Maine Health Data
 Organization and the Maine Health Information Center, a private
 nonprofit health care data organization.