

# MAINE STATE LEGISLATURE

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# 121st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2003

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Legislative Document

No. 857

H.P. 634

House of Representatives, February 20, 2003

### **An Act To Provide Maine Consumers Information about the Cost and Quality of Health Care Services in Maine**

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Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative KANE of Saco.  
Cosponsored by Senator MAYO of Sagadahoc and  
Representatives: CANAVAN of Waterville, CRAVEN of Lewiston, FAIRCLOTH of Bangor,  
O'NEIL of Saco, WALCOTT of Lewiston, Senator: TREAT of Kennebec.

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

**Sec. 1. 22 MRSA §1832** is enacted to read:

**§1832. Price disclosure**

Each hospital, ambulatory surgical facility or other institution of hospitalization licensed under this chapter shall maintain a price list of the most common inpatient services and outpatient procedures rendered. For inpatient services, the price list must include a per diem bed charge and an average charge for all ancillary charges for the 15 most common services involving inpatient stays. If the per diem bed charge includes all ancillary charges for a procedure, no further information is required. For outpatient procedures for which an individual would not incur a bed charge, the price list must include the 20 most common surgical and diagnostic procedures rendered by the licensee. The licensee may not be required to publicly post the price list. The licensee shall post in a conspicuous place a statement about the availability of the price list for the most common services involving inpatient stays and procedures. The licensee shall provide its price list to a consumer upon oral or written request by the consumer. The price list may include a disclaimer regarding changes or other factors that may affect actual charges for services rendered by the licensee.

**Sec. 2. 22 MRSA §8702, sub-§9-A** is enacted to read:

**9-A. Quality data.** "Quality data" means data submitted by health care providers from which health care service indicators can be developed and reported to the public.

**Sec. 3. 22 MRSA §8703, sub-§1**, as amended by PL 2001, c. 457, §4, is further amended to read:

**1. Objective.** The purpose purposes of the organization is are to create and maintain a useful, objective, reliable and comprehensive health information database that is used to improve the health of Maine citizens and to issue periodic reports. This database must be publicly accessible while protecting patient confidentiality and respecting providers of care. The organization shall collect, process, and analyze and report clinical and, financial and quality data as defined in this chapter.

**Sec. 4. 22 MRSA §8704, sub-§1, ¶A**, as amended by PL 2001, c. 457, §7, is further amended to read:

**A.** The board shall develop and implement data collection policies and procedures for the collection, processing,

2 storage and analysis of clinical, financial, and  
restructuring and quality data in accordance with this  
subsubsection for the following purposes:

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6 (1) To use, build and improve upon and coordinate  
existing data sources and measurement efforts through  
the integration of data systems and standardization of  
8 concepts;

10 (2) To coordinate the development of a linked public  
and private sector information system;

12 (3) To emphasize data that is useful, relevant and is  
14 not duplicative of existing data;

16 (4) To minimize the burden on those providing data;

18 (5) To preserve the reliability, accuracy and  
integrity of collected data while ensuring that the  
20 data is available in the public domain; and

22 (6) To collect information from providers who were  
required to file data with the Maine Health Care  
24 Finance Commission. The organization may collect  
information from additional providers only when a  
26 linked information system for the electronic  
transmission, collection and storage of data is  
28 reasonably available to providers;

30 (7) Pursuant to rules adopted by the board, to develop  
a meaningful, easy-to-understand report of quality data  
for distribution to consumers. The organization shall  
distribute the quality data report on a publicly  
accessible site on the Internet or, upon a written  
request by a consumer, via mail or e-mail. Rules  
adopted for reports of quality data must be developed  
in conjunction with affected providers and payors, if  
applicable. Rules adopted pursuant to this subsection  
are routine technical rules as defined in Title 5,  
chapter 375, subchapter 2-A;

42 (8) To submit at least annually the reports required  
in section 8712. The organization shall distribute the  
reports required in section 8712 on a publicly  
accessible site on the Internet or, upon a written  
request by a consumer, via mail or e-mail;

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48 (9) To publish in 2 local papers at least twice per  
year the availability of the quality data reports and

2                   to publish as a paper document the quality data reports  
3                   twice per year; and

4                   (10) To develop and issue quality and cost reports the  
5                   cost of which must be borne by the sale to  
6                   nongovernment entities of clinical data collected by  
7                   the organization.

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9                   Sec. 5. 22 MRSA §8712 is enacted to read:

10                   **§8712. Cost reports for consumer use**

11                   The organization shall distribute at least annually the  
12                   following clearly labeled and easy-to-understand cost reports for  
13                   consumer use. The reports must contain data elements by payor  
14                   type such as, but not limited to, Medicare, Medicaid, self-pay,  
15                   uncompensated care and insured, aggregated for all insurers and  
16                   3rd-party administrators. The board may adopt rules to add other  
17                   data elements to the reports as long as the reports remain easy  
18                   to understand. Rules adopted pursuant to this section are  
19                   routine technical rules as defined in Title 5, chapter 375,  
20                   subchapter 2-A.

21                   **1. Nonmaternity inpatient medical discharge report.** For  
22                   each hospital, a report on nonmaternity inpatient medical  
23                   discharges must contain the following data elements for the 15  
24                   most common diagnostically related groups of services rendered by  
25                   each hospital in an easy-to-understand format:

26                   A. The total number of discharges per diagnostically  
27                   related group of services for all payor types;

28                   B. The number of discharges per diagnostically related  
29                   group of services per payor type;

30                   C. The average charge per diagnostically related group of  
31                   services per payor type; and

32                   D. The average length of stay to at least 2 decimal places  
33                   per diagnostic related group of services per payor type.

34                   **2. Nonmaternity inpatient surgical discharge report.** For  
35                   each hospital, a report on nonmaternity inpatient surgical  
36                   discharges must contain the following data elements for the 15  
37                   most common diagnostic related groups of services rendered by  
38                   each hospital in an easy-to-understand format:

39                   A. The total number of discharges per diagnostically  
40                   related group of services for all payor types;

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2 B. The number of discharges per diagnostically related  
group of services per payor type;

4 C. The average charge per diagnostically related group of  
services per payor type; and

6 D. The average length of stay to at least 2 decimal places  
8 per diagnostically related group of services per payor type.

10 3. Maternity inpatient discharge report. For each  
hospital, a report on maternity inpatient discharges must contain  
12 the following data elements for maternity discharges rendered by  
each hospital in an easy-to-understand format:

14 A. The total number of discharges per type of delivery for  
16 all payor types;

18 B. The number of discharges per type of delivery per payor  
20 type;

22 C. The average charge per type of delivery per payor type;  
and

24 D. The average length of stay to at least 2 decimal places  
26 per type of delivery per payor type.

28 4. Hospital-based outpatient surgical procedure report.  
For each hospital, a report on hospital-based outpatient surgical  
30 procedures must contain the following data elements for the 15  
most common surgical procedures rendered by each hospital in an  
32 easy-to-understand format:

34 A. The total number of procedures for all payor types;

36 B. The number of procedures per payor type; and

38 C. The average charge per surgical procedure and per  
episode of surgical care per payor type.

40 5. Hospital-based outpatient diagnostic procedure report.  
For each hospital, a report on hospital-based outpatient  
42 diagnostic procedures must contain the following data elements  
for the 15 most common diagnostic procedures rendered by each  
44 hospital in an easy-to-understand format:

46 A. The total number of procedures for all payor types;

48 B. The number of procedures per payor type;

50 C. The average charge per procedure per payor type; and

2           D. The average payment in percentage format per procedure  
3           per payor type.

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5           6. Hospital-based outpatient laboratory procedure report.  
6           For each hospital, a report on hospital-based outpatient  
7           laboratory procedures must contain the following data elements  
8           for the 15 most common diagnostic procedures rendered by each  
9           hospital in an easy-to-understand format:

10           A. The total number of procedures for all payor types;

11           B. The number of procedures per payor type; and

12           C. The average charge per procedure per payor type.

13  
14           7. Nonhospital-based outpatient surgical procedure report.  
15           For each medical facility that is not a hospital, a report on  
16           nonhospital-based outpatient surgical procedures must contain the  
17           following data elements for the 15 most common surgical  
18           procedures rendered by each facility in an easy-to-understand  
19           format:

20           A. The total number of procedures for all payor types;

21           B. The number of procedures per payor type; and

22           C. The average charge per procedure and per episode of  
23           surgical care per payor type.

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25           8. Nonhospital-based outpatient diagnostic procedure  
26           report. For each medical facility that is not a hospital, a  
27           report on nonhospital-based outpatient diagnostic procedures must  
28           contain the following data elements for the 15 most common  
29           diagnostic procedures rendered by each facility in an  
30           easy-to-understand format:

31           A. The total number of procedures for all payor types;

32           B. The number of procedures per payor type; and

33           C. The average charge per procedure per payor type.

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35           9. Nonhospital-based outpatient laboratory procedure  
36           report. For each medical facility that is not a hospital, a  
37           report on nonhospital-based outpatient laboratory procedures must  
38           contain the following data elements for the 15 most common  
39           laboratory procedures rendered by each facility in an  
40           easy-to-understand format:

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2 medical care reports for consumers' use in determining their  
3 medical care needs. The bill also requires the Maine Health Data  
4 Organization to produce similar reports for medical care rendered  
5 in the State compared to medical care rendered in other states in  
6 the region.

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8 This bill also requires hospitals and certain other health  
9 care institutions licensed under the Maine Revised Statutes,  
10 Title 22, chapter 405 to develop, maintain and release a price  
11 list of the 15 most common services involving inpatient stays and  
12 outpatient procedures rendered for use by consumers for their  
13 medical care needs. This bill also requires medical doctors and  
14 osteopaths to develop, maintain and release a price list of at  
15 least the 15 most common procedures rendered by that professional  
16 for use by consumers for their medical care needs.