

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 678

S.P. 214

In Senate, February 8, 2005

An Act To Require Fair and Timely MaineCare Payments to Hospitals

Reference to the Committee on Health and Human Services suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MILLS of Somerset.
Cosponsored by Representative CROSTHWAITE of Ellsworth and
Senators: ROSEN of Hancock, WESTON of Waldo, Representatives: FISHER of Brewer,
McKANE of Newcastle, PERRY of Calais, TRAHAN of Waldoboro.

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

4 **Sec. 1. 22 MRSA §1714-B** is enacted to read:

6 **§1714-B. Hospital interim payments; settlements**

8 **1. Hospital prospective interim payments.** The department's
10 total annual prospective interim payment obligation to any acute
12 care institution required to be licensed as a hospital under
14 section 1811 is adjusted at the beginning of each state fiscal
16 year and is based on the sum of the amounts of MaineCare's
18 obligation for the following, based on the hospital's most recent
20 as filed cost report:

22 A. Inpatient services;

24 B. Outpatient services;

26 C. Inpatient capital costs;

28 D. Hospital-based physician and graduate medical education
30 costs; and

32 E. Days awaiting placement.

34 The department may not apply any caps on hospital prospective
36 interim payment amounts.

38 **2. Hospital interim settlements.** The department's interim
40 settlement with any acute care institution required to be
42 licensed as a hospital under section 1811 must be calculated
44 using the same method used when calculating the periodic interim
46 payments, except that the data source used for inpatient
48 calculations is discharges and charges included in MaineCare paid
claims history for the year for which settlement is being
performed, as measured by the department. Other calculations
must be based on the hospital's as-filed cost report and the
MaineCare paid claims history for the year for which interim
settlement is being performed. The department shall issue any
interim settlement payments owed within one year after receipt of
the hospital's as-filed cost report.

44 **SUMMARY**

46 This bill requires the Department of Health and Human
48 Services to use current hospital cost reports to calculate
amounts owed to hospitals and pay any amounts due within one year
of receiving the hospital cost report.