

MAINE STATE LEGISLATURE

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HEALTH AND HUMAN SERVICES

Reported by:

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STATE OF MAINE
SENATE
122ND LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 278, L.D. 839, Bill, "An Act To Reduce Hardships to Small Community Hospitals Resulting from the Hospital Tax"

Amend the bill by striking out the title and substituting the following:

'Resolve, To Alleviate the Negative Impact of Certain Taxes on Hospitals and Private Nonmedical Institutions'

Further amend the bill by striking out everything after the title and before the summary and inserting in its place the following:

'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, current law imposes a tax on hospitals in this State, regardless of the size of the hospitals or the amount of MaineCare revenue received by those hospitals; and

Whereas, this tax imposes a hardship on some hospitals, which may lead to the closure of, or the reduction of services provided by, those hospitals; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

COMMITTEE AMENDMENT

2 **Sec. 1. Alleviating the impact of certain taxes. Resolved:** That the
3 Department of Health and Human Services and the Governor's Office
4 of Health Policy and Finance shall review the impact of the
5 hospital tax and the private nonmedical institution portion of
6 the service provider tax on hospitals and private nonmedical
7 institutions with the goal of alleviating the negative impact on
8 those facilities. In conducting the review the department and
9 the office shall consult with hospitals and private nonmedical
10 institutions within the State, shall consider alternatives that
11 comply with federal Medicaid law and regulation and shall
12 consider submitting a state plan amendment. By September 1, 2005
13 the department and the office shall report to the Joint Standing
14 Committee on Health and Human Services regarding the results of
15 the review and any recommendations resulting from the review.

16 **Emergency clause.** In view of the emergency cited in the
17 preamble, this resolve takes effect when approved.'

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SUMMARY

21 This amendment replaces the bill with a resolve. It directs
22 the Department of Health and Human Services and the Governor's
23 Office of Health Policy and Finance to review the impact of the
24 hospital tax and private nonmedical institution portion of the
25 service provider tax on hospitals and private nonmedical
26 institutions with the goal of alleviating the negative impact on
27 those facilities. The amendment requires a report to the Joint
28 Standing Committee on Health and Human Services by September 1,
29 2005.
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FISCAL NOTE REQUIRED
(See attached)



122nd MAINE LEGISLATURE

LD 839

LR 1611(02)

An Act To Reduce Hardships to Small Community Hospitals Resulting from the Hospital Tax

Fiscal Note for Bill as Amended by Committee Amendment **A**

Committee: Health and Human Services

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund

Fiscal Detail and Notes

Any additional costs to the Department of Health and Human Services or the Governor's Office of Health Policy and Finance can be absorbed utilizing existing resources.