

MAINE STATE LEGISLATURE

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R.O.S.

L.D. 1760

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DATE: 3-22-06

(Filing No. S-516)

HEALTH AND HUMAN SERVICES

Reported by: *Minority*

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**STATE OF MAINE
SENATE
122ND LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "*B*" to S.P. 677, L.D. 1760, Bill, "An Act To Amend the Maine Health Data Organization Laws Regarding Dental Services"

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

'An Act To Amend the Maine Health Data Organization and Maine Health Data Processing Center Laws'

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

'Sec. 1. 10 MRSA §684, sub-§5, as enacted by PL 2001, c. 456, §1, is amended to read:

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

Sec. 2. 10 MRSA §684, sub-§6, as corrected by RR 2001, c. 2, Pt. B, §22 and affected by §58, is amended to read:

6. Bylaws. Adopt bylaws that are consistent with this chapter for the governance of the affairs of the center, have the general powers accorded corporations under Title 13-C, section 302 and do all other things necessary or convenient to carry out the lawful purposes of the center; and

COMMITTEE AMENDMENT

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2 **Sec. 3. 10 MRSA §684, sub-§7** is enacted to read:

4 **7. Process data on behalf of entities outside State.**
6 Enter, to offset its operating costs, into contracts under
8 subsection 4 with governmental or private entities outside the
10 State to collect and process health care data for those
12 entities. Data collected and processed by the center under such
14 a contract is subject to the terms of the contract and the
16 provisions of this chapter. Notwithstanding section 682, data
18 collected under this subsection remain the sole and exclusive
20 property of the entity contracting with the center.

22 **Sec. 4. 10 MRSA §689, sub-§1**, as enacted by PL 2001, c. 456,
24 §1, is amended to read:

26 **1. Net earnings of center.** The annual net earnings of the
28 center must be distributed to the Maine Health Data Organization
30 and the Maine Health Information Center in proportion to the
32 average annual funding provided by each entity for the
34 operational costs of the center. The net earnings of the center
36 may not inure to the benefit of any officer, director or
38 employee, except that the center is authorized and empowered to
40 pay reasonable compensation for services rendered and otherwise
42 hold, manage and dispose of its property in furtherance of the
44 purposes of the center.

46 **Sec. 5. 22 MRSA §8704, sub-§7**, as amended by PL 2005, c. 253,
48 §5, is further amended to read:

50 **7. Annual report.** The board shall prepare and submit an
annual report on the operation of the organization and the Maine
Health Data Processing Center as authorized in Title 10, section
681, including any activity contracted for by the organization
and contracted services provided by the center, with resulting
net earnings, to the Governor and the joint standing committee of
the Legislature having jurisdiction over health and human
services matters no later than February 1st of each year. The
report must include an annual accounting of all revenue received
and expenditures incurred in the previous year and all revenue
and expenditures planned for the next year. The report must
include a list of persons or entities that requested data from
the organization in the preceding year with a brief summary of
the stated purpose of the request.

52 **Sec. 6. 22 MRSA §8705-A, sub-§3, ¶B**, as enacted by PL 2003, c.
54 659, §2, is amended to read:

56 **B.** A person or entity that receives data or information
58 under the terms and conditions of section 8707 and

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COMMITTEE AMENDMENT "B" to S.P. 677, L.D. 1760

2 intentionally or knowingly uses, sells or transfers the data
in violation of the board's rules for commercial advantage,
4 pecuniary gain, personal gain or malicious harm commits a
civil violation for which a fine not to exceed \$250,000
6 \$500,000 may be adjudged.'

8 **SUMMARY**

10 This amendment, which is the minority report of the Joint
Standing Committee on Health and Human Services, removes the
12 provision of the bill that subjects dental services insurance
policies to the permanent funding assessment under the Maine
14 Health Data Organization laws. The amendment allows the Maine
Health Data Processing Center to receive and process claims from
16 entities outside of the State, specifies how the net earnings of
the center must be distributed and requires the Board of
18 Directors of the Maine Health Data Organization to report those
net earnings each year.

20 This amendment also increases the fine from \$250,000 to
22 \$500,000 for a person who receives and uses data of the Maine
Health Data Organization for commercial advantage, pecuniary or
24 personal gain or malicious harm.

26 **FISCAL NOTE REQUIRED**
28 (See attached)



Approved: 03/01/06 *MAC*

122nd MAINE LEGISLATURE

LD 1760

2554(03)

An Act To Amend the Maine Health Data Organization Laws Regarding Dental Services

Fiscal Note for Bill as Amended by Committee Amendment "B"

Committee: Health and Human Services

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium revenue increase - Other Special Revenue Funds

Potential future biennium cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

The Maine Health Data Organization and the Maine Health Data Processing Center may receive additional revenue and may incur additional costs as a result of the provisions of this bill. The exact amounts and the resulting net impact cannot be determined at this time. The bill as amended does not subject dental services insurance policies to the MHDO assessment. This would not affect total MHDO revenue collected because other payers would make up the difference.