### MAINE STATE LEGISLATURE

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I	L.D. 217.
2	Date: 3-27-08 (Filing No. H-843)
3	Reproduced and distributed under the direction of the Clerk of the House.
4	STATE OF MAINE
5	HOUSE OF REPRESENTATIVES
6	123RD LEGISLATURE
7	SECOND REGULAR SESSION
8 9 0 1	HOUSE AMENDMENT "5" to COMMITTEE AMENDMENT "A" to H.P. 1547 L.D. 2173, Bill, "An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2008 and June 30, 2009"
3	Amend the amendment by inserting after Part MMMM the following:
4	'PART NNNN
5	Sec. NNNN-1. 36 MRSA §2891, sub-§1, as corrected by RR 2003, c. 2, §116, is amended to read:
17 18 19 20 21 22 22 23 24 25 26	1. Hospital. "Hospital" means an acute care health care facility with permanent inpatient beds planned, organized, operated and maintained to offer for a continuing period of time facilities and services for the diagnosis and treatment of illness, injury and deformity; with a governing board and an organized medical staff offering continuous 24 hour professional nursing care; with a plan to provide emergency treatment 24 hours a day and including other services as defined in rules of the Department of Health and Human Services relating to licensure of general and specialty hospitals; and that is licensed under Title 22, chapter 405 as a general hospital, specialty hospital or critical access hospital. For purposes of this chapter, "hospital" does not include a nursing home or a publicly owned specialty hospital and, for state fiscal years beginning on or after July 1, 2008, municipally funded hospitals.
28	Sec. NNNN-2. 36 MRSA §2891, sub-§1-A is enacted to read:
29 80	1-A. Municipally funded hospital. "Municipally funded hospital" means Mayo Regional Hospital in Dover-Foxcroft or Cary Medical Center in Caribou.
31 32	Sec. NNNN-3. 36 MRSA §2892, as amended by PL 2005, c. 12, Pt. ZZ, §2, is further amended to read:
3	§2892. Tax imposed
54 55	For the state fiscal year beginning on July 1, 2003, a tax is imposed against each hospital in the State. The tax is equal to .74% of net operating revenue for the tax year as

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### HOUSE AMENDMENT "5" to COMMITTEE AMENDMENT "A" to H.P. 1547, L.D. 2173

identified on the hospital's most recent audited annual financial statement for that tax year. Delinquent tax payments are subject to Title 22, section 3175-C.

For state fiscal years beginning on or after July 1, 2004, a tax is imposed annually against each hospital in the State. The tax is equal to 2.23% of the hospital's net operating revenue as identified in the hospital's audited financial statement for the hospital's taxable year. For the state fiscal year beginning July 1, 2004, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2002. For the state fiscal year beginning July 1, 2005, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2003. For state fiscal years beginning on or after July 1, 2006 but before July 1, 2008, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2004.

- For state fiscal years beginning on or after July 1, 2008, the hospital's taxable year is the hospital's fiscal year that ended during calendar year 2006.
- Sec. NNNN-4. Appropriations and allocations. The following appropriations and allocations are made.

#### 16 HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)

- 17 Medical Care Payments to Providers 0147
- 18 Initiative: Adjusts funding to reflect an update of the hospital tax base year from 2004 to
- 19 2006 and the exclusion of municipally funded hospitals from the tax beginning July 1,
- 20 2008.

21	GENERAL FUND	2007-08	2008-09
22	All Other	\$0	(\$11,394,341)
23			
24	GENERAL FUND TOTAL	\$0	(\$11,394,341)

25	OTHER SPECIAL REVENUE FUNDS	2007-08	2008-09
26	All Other	\$0	\$11,394,341
27			
28	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$11,394,341

#### 29 Medical Care - Payments to Providers 0147

- 30 Initiative: Appropriates and allocates funds for additional payments to hospitals under the
- 31 MaineCare program.

32	GENERAL FUND	2007-08	2008-09
33	All Other	\$0	\$3,269,264
34			
35	GENERAL FUND TOTAL	\$0	\$3,269,264

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### HOUSE AMENDMENT

# HOUSE AMENDMENT "5" to COMMITTEE AMENDMENT "A" to H.P. 1547, L.D. 2173



1 2 3	FEDERAL EXPENDITURES FUND All Other	<b>2007-08</b> \$0	<b>2008-09</b> \$5,846,206		
4	FEDERAL EXPENDITURES FUND TOTAL	\$0	\$5,846,206		
5	Medical Care - Payments to Providers 0147				
6	Initiative: Restores funding for hospital-based physicians reduced in Part A, section 28.				
7	GENERAL FUND	2007-08	2008-09		
8 9	All Other	\$0	\$7,282,509		
10	GENERAL FUND TOTAL	\$0	\$7,282,509		
11	FEDERAL EXPENDITURES FUND	2007-08	2008-09		
12 13	All Other	\$0	\$13,022,827		
14	FEDERAL EXPENDITURES FUND TOTAL	\$0	\$13,022,827		
15 16	HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)				
17	DEPARTMENT TOTALS	2007-08	2008-09		
18 19	GENERAL FUND	\$0	(\$842,568)		
20	FEDERAL EXPENDITURES FUND	\$0	\$18,869,033		
21 22	OTHER SPECIAL REVENUE FUNDS	\$0	\$11,394,341		
23 24	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$29,420,806		
25 26	Amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.				
27	SUMMARY				
28 29	This amendment adds a new Part that updates the base year for the hospital tax and excludes municipally funded hospitals from the tax after July 1, 2008.				

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### **HOUSE AMENDMENT**

## HOUSE AMENDMENT "5" to COMMITTEE AMENDMENT "A" to H.P. 1547, L.D. 2173

A. A.E.

1	FISCAL NOTE REQUIRED
2	(See attached)
	16 1 Ad W
3	SPONSORED BY: [ felly Child
4	(Representative CLARK)
5	TOWN: Millinocket

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### 123rd MAINE LEGISLATURE

LD 2173

LR 3445(41)

An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2008 and June 30, 2009

Fiscal Note for House Amendment "5" to Committee Amendment "A"

Sponsor: Rep. Clark of Millinocket

Fiscal Note Required: Yes

#### **Fiscal Note**

	2007-08	2008-09	Projections 2009-10	Projections 2010-11
Net Cost (Savings)				
General Fund	\$0	(\$842,568)	(\$842,568)	(\$842,568)
Appropriations/Allocations				
General Fund	\$0	(\$842,568)	(\$842,568)	(\$842,568)
Federal Expenditures Fund	\$0	\$18,869,033	\$18,869,035	\$18,869,035
Other Special Revenue Funds	\$0	\$11,394,341	\$11,394,341	\$11,394,341
Revenue				
Other Special Revenue Funds	\$0	\$11,394,341	\$11,394,341	\$11,394,341

#### **Fiscal Detail and Notes**

This amendment will decrease the General Fund cost of the bill by \$842,568 in fiscal year 2008-09. Based on the estimated year-end balances, this amendment maintains a balanced budget for the 2008-2009 biennium.