

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)



# 124th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2010

---

Legislative Document

No. 1544

H.P. 1088

House of Representatives, December 21, 2009

---

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

---

Submitted by the Maine Health Data Organization pursuant to Joint Rule 204.

Received by the Clerk of the House on December 17, 2009. Referred to the Committee on Health and Human Services pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative PERRY of Calais.

Cosponsored by Representatives: MILLER of Somerville, Speaker PINGREE of North Haven, SAVIELLO of Wilton, Senator: MARRACHÉ of Kennebec.

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

2 **Sec. 1. 10 MRSA §681**, as enacted by PL 2001, c. 456, §1, is amended to read:

3 **§681. Authority to establish**

4 The Maine Health Data Organization, established pursuant to Title 22, chapter 1683,  
5 and a nonprofit health data processing entity referred to in this chapter as ~~the "Maine~~  
6 ~~Health Information Center"~~ "Onpoint Health Data" or its successor organization may  
7 form a nonprofit corporation under Title 13-B in order to collect and process health care  
8 claims data, to be known as the Maine Health Data Processing Center, referred to in this  
9 chapter as the "center." The center shall carry out its purposes in complement to and in  
10 coordination with the Maine Health Data Organization and ~~the Maine Health Information~~  
11 ~~Center~~ Onpoint Health Data.

12 The center is a nonprofit corporation with a public purpose and the exercise by the  
13 center of the powers conferred by this chapter is an essential governmental function.

14 **Sec. 2. 10 MRSA §682, sub §2**, as enacted by PL 2001, c. 456, §1, is amended to  
15 read:

16 **2. Developing claims-based data.** Building upon the experience and expertise of  
17 the Maine Health Data Organization and ~~the Maine Health Information Center~~ Onpoint  
18 Health Data to collect, process and maintain health care data extracted from claims data  
19 in a cost-effective manner;

20 **Sec. 3. 10 MRSA §683**, as amended by PL 2009, c. 71, §1, is further amended to  
21 read:

22 **§683. Board of directors; officers**

23 The Board of Directors of the Maine Health Data Processing Center, referred to in  
24 this chapter as the "board of directors," consists of ~~13~~ 11 directors.

25 **1. Nominations.** The director of the Maine Health Data Organization and the  
26 president of ~~the Maine Health Information Center~~ Onpoint Health Data are ex officio  
27 members of the board of directors and are authorized to vote. ~~The~~ In order to achieve  
28 balanced representation, the director and president shall nominate the following  
29 representatives for service on the board of directors:

30 A. ~~One member~~ Three members representing different constituencies of the Maine  
31 ~~Health Information Center~~ Onpoint Health Data board of directors and ~~one member~~ 3  
32 members representing different constituencies of the Maine Health Data Organization  
33 board of directors; and

34 B. ~~Four representatives of health care providers, 2 of whom must represent hospitals;~~  
35 Three non:inees chosen from among the following constituency categories that are  
36 underrepresented on the board of directors:

37 (1) Health care providers;

- 1                   (2) Third-party payors;
- 2                   (3) Employers; and
- 3                   (4) Consumers of health care.

- 4           C. ~~Two representatives of 3rd party payors;~~
- 5           D. ~~One representative of consumers of health care; and~~
- 6           E. ~~Two representatives of employers.~~

7           **2. Election.** The names of the representatives nominated under this section must be  
8 presented to the boards of directors of the Maine Health Data Organization and ~~the Maine~~  
9 ~~Health Information Center~~ Onpoint Health Data for election to the board of directors.

10           **3. Limitation on terms.** An elected person may serve as a director for not more  
11 than 2 5-year terms in succession and continues to serve until a successor has been  
12 appointed.

13           **4. Chairs.** The board of directors shall elect a chair and a vice-chair from among its  
14 members at the first meeting of the board each year.

15           **5. Manager.** The board of directors shall appoint a manager to serve at the pleasure  
16 of the board and to represent the board in the management of the center. The manager  
17 has the necessary authority and responsibility for the operational management of the  
18 center in all of the activities of the center.

19           **Sec. 4. 10 MRSA §688,** as enacted by PL 2001, c. 456, §1, is amended to read:

20           **§688. Audit; public access**

21           Before January 1st of each year, the center shall provide an independent audit of the  
22 activities of the center to the boards of directors of the Maine Health Data Organization  
23 and ~~the Maine Health Information Center~~ Onpoint Health Data. Audits must be done as  
24 required by law or by the Department of Administrative and Financial Services. To  
25 ensure public accountability, the center is subject to the provisions of Title 1, chapter 13,  
26 subchapter 1.

27           **Sec. 5. 10 MRSA §689, sub-§1,** as amended by PL 2005, c. 565, §4, is further  
28 amended to read:

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

36           **Sec. 6. 10 MRSA §689, sub-§2,** as enacted by PL 2001, c. 456, §1, is amended to  
37 read:

1           **2. Dissolution of center.** Upon dissolution of the center, the board of directors shall,  
2 after paying or making provision for the payment of all liabilities of the center, cause all  
3 of the remaining assets of the center to be transferred to the Maine Health Data  
4 Organization and ~~the Maine Health Information Center~~ Onpoint Health Data in shares  
5 proportionate to the total revenue transferred to the center by each entity.

6           **Sec. 7. 22 MRSA §8712**, as amended by PL 2009, c. 71, §8 and c. 350, Pt. A, §1,  
7 is further amended to read:

8           **§8712. Reports**

9           The organization shall produce clearly labeled and easy-to-understand reports as  
10 follows. Unless otherwise specified, the organization shall distribute the reports on a  
11 publicly accessible site on the Internet or via mail or e-mail, through the creation of a list  
12 of interested parties. ~~The organization shall publish a notice of the availability of these~~  
13 ~~reports at least once per year in the 3 daily newspapers of the greatest general circulation~~  
14 ~~published in the State.~~ The organization shall make reports available to members of the  
15 public upon request.

16           **1. Quality.** ~~At a minimum, the~~ The organization, shall promote public transparency  
17 of the quality and cost of health care in the State in conjunction with the Maine Quality  
18 Forum, established in Title 24-A, section 6951, and shall develop and produce annual  
19 quality reports collect, synthesize and publish information and reports on an annual basis  
20 that are easily understandable by the average consumer and in a format that allows the  
21 user to compare the information listed in this section to the extent practicable. The  
22 organization's publicly accessible websites and reports must, to the extent practicable,  
23 coordinate, link and compare information regarding health care services, their outcomes,  
24 the effectiveness of those services, the quality of those services by health care facility and  
25 by individual practitioner and the location of those services. The organization's health  
26 care costs website must provide a link in a publicly accessible format to provider-specific  
27 information regarding quality of services required to be reported to the Maine Quality  
28 Forum.

29           **2. Payments.** The organization shall create a publicly accessible interactive website  
30 that presents reports related to health care facility and practitioner payments for services  
31 rendered to residents of the State. The services presented must include, but not be limited  
32 to, imaging, preventative health, radiology and surgical services and other services that  
33 are predominantly elective and may be provided to a large number of patients who do not  
34 have health insurance or are underinsured. The website must also be constructed to  
35 display prices paid by individual commercial health insurance companies, 3rd-party  
36 administrators and, unless prohibited by federal law, governmental payors.

37           ~~A. The organization shall promote public transparency of the quality and cost of~~  
38 ~~health care in the State, in conjunction with the Maine Quality Forum as established~~  
39 ~~in Title 24-A, section 6951, and shall collect, synthesize and publish information and~~  
40 ~~reports on an annual basis that are easily understandable by the average consumer and~~  
41 ~~in a format that allows the user to compare the information listed in this section to the~~  
42 ~~extent practicable. The organization's publicly accessible websites and reports shall,~~  
43 ~~to the extent practicable, coordinate, link and compare information regarding health~~

1 ~~care services, their outcomes, the effectiveness of those services, the quality of those~~  
2 ~~services by health care facility and by individual practitioner and the location of those~~  
3 ~~services. The organization's health care costs website must provide a link in a~~  
4 ~~publicly accessible format to provider specific information regarding quality of~~  
5 ~~services required to be reported to the Maine Quality Forum.~~

6 **3. Comparison report.** At a minimum, the organization shall develop and produce  
7 an annual report that compares the 15 most common diagnosis-related groups and the 15  
8 most common outpatient procedures for all hospitals in the State and the 15 most  
9 common procedures for nonhospital health care facilities in the State to similar data for  
10 medical care rendered in other states, when such data are available.

11 **4. Physician services.** The organization shall provide an annual report of the 10  
12 services and procedures most often provided by osteopathic and allopathic physicians in  
13 the private office setting in this State. The organization shall distribute this report to all  
14 physician practices in the State. The first report must be produced by July 1, 2004.

15 **Sec. 8. 24-A MRSA §2436, sub-§2-A,** as amended by PL 2003, c. 469, Pt. D, §4  
16 and affected by §9, is repealed and the following enacted in its place:

17 2-A. For a claim submitted by a health care provider or health care facility with  
18 respect to a health plan as defined in section 4301-A, subsection 7, for purposes of this  
19 section, "undisputed claim" means a timely claim for payment of covered health care  
20 expenses that is submitted to a carrier in conformity with the following requirements.

21 A. The claim must be submitted on one of the following claims forms:

22 (1) For a health care facility claim submitted on paper, the standard claim form,  
23 using standards approved by a national uniform billing committee;

24 (2) For a health care provider claim submitted on paper, the standard claim form,  
25 using standards approved by a national uniform claim committee; and

26 (3) For health care facility and health care provider claims submitted  
27 electronically, an electronic form using standards approved by an accredited  
28 standards committee of the American National Standards Institute.

29 B. The claim must use the most current published source codes with all required  
30 fields filled with correct and complete information. All fields identifying the  
31 rendering or service provider, the billing provider and the location where the service  
32 was performed are considered to be required fields and must be filled on all claims.

33 **Sec. 9. 24-A MRSA §2436, sub-§2-B** is enacted to read:

34 2-B. If a claim does not conform to the requirements specified in subsection 2-A and  
35 payment is denied to a health care provider or health care facility by a carrier, the health  
36 care provider or health care facility may not request payment from the insured or  
37 beneficiary and shall attempt to rectify the deficiencies with the claim and resubmit the  
38 claim to the carrier.

39 **Sec. 10. Claim forms.** For the purposes of the Maine Revised Statutes, Title  
40 24-A, section 2436, subsection 2-A, paragraph A, subparagraph (1), it is the intent of the

1 Legislature that the standard claim form is the UB-04. For the purposes of Title 24-A,  
2 section 2436, subsection 2-A, paragraph A, subparagraph (2), it is the intent of the  
3 Legislature that the standard claim form is the CMS-1500.

4 **SUMMARY**

5 This bill amends the laws governing the Maine Health Data Processing Center to  
6 remove the phrase "Maine Health Information Center" and replace it with "Onpoint  
7 Health Data," the new name of the organization. It modifies the composition of the  
8 Board of Directors of the Maine Health Data Processing Center.

9 It restructures the laws governing reports produced by the Maine Health Data  
10 Organization and removes the requirement that the organization publish a notice of the  
11 availability of these reports at least once per year in the 3 daily newspapers of the greatest  
12 general circulation published in the State.

13 It also clarifies what constitutes an undisputed health care claim submitted by a health  
14 care provider or health care facility to a carrier and specifies fields in the claim that must  
15 be filled. The language also stipulates that if the claim does not conform to the  
16 requirements and does not contain any one of the required fields, the provider or facility  
17 may not request payment directly from the insured and must resubmit the claim to the  
18 carrier.