

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 831

H.P. 628

House of Representatives, March 3, 2011

An Act To Protect the State from Accumulating Future Hospital Debt

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

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative CUSHING of Hampden.
Cosponsored by Senator COURTNEY of York and
Representatives: CRAFTS of Lisbon, CURTIS of Madison, FLOOD of Winthrop, WINSOR of
Norway, Senators: PLOWMAN of Penobscot, TRAHAN of Lincoln.

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

2 **Sec. 1. 22 MRSA §1714-D** is enacted to read:

3 **§1714-D. Hospital interim settlements**

4 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
5 following terms have the following meanings.

6 A. "As-filed Medicare cost report" means the cost report that a hospital files with a
7 Medicare fiscal intermediary and with MaineCare, using the federal Centers for
8 Medicare and Medicaid Services Medicare cost report form containing all
9 information required by the department.

10 B. "MaineCare paid claims history" means a summary of all claims billed by a
11 hospital to MaineCare members that have been processed and accepted for payment
12 by MaineCare.

13 C. "MaineCare supplemental data form" means a form submitted by hospitals on a
14 template provided by the department that contains information supplemental to the
15 as-filed Medicare cost report necessary for computing the prospective interim
16 payment, including, but not limited to, data pertaining to hospital-based physicians,
17 laboratory and radiology claims and 3rd-party payments.

18 **2. Interim settlement payments.** With respect to services provided to MaineCare
19 members performed after December 31, 2011, the department shall make interim
20 settlement payments, if any, to a hospital no later than 12 months following the
21 department's receipt of the hospital's as-filed Medicare cost report and MaineCare
22 supplemental data form.

23 The interim settlement payment required by this section must be calculated using the
24 same method used when calculating prospective interim payments, except that the data
25 source used for inpatient calculations is discharges and charges included in the
26 MaineCare paid claims history for the year for which settlement is being performed. Any
27 other calculations required in making the interim settlement payment must be based on
28 the hospital's as-filed Medicare cost report, the MaineCare supplemental data form and
29 the MaineCare paid claims history for the year for which settlement is being performed.

30 **SUMMARY**

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