

# MAINE STATE LEGISLATURE

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**LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED BY THE

ONE HUNDRED AND NINTH LEGISLATURE

AT THE

**SECOND REGULAR SESSION**

January 2, 1980 to April 3, 1980

AND AT THE

**THIRD SPECIAL SESSION**

May 22, 1980

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which deviates by not more than 1/2 of 1% from the rate of the finance charge required to be disclosed to the consumer pursuant to law, and based on the assumption that all payments were made as originally scheduled or as deferred.

**Sec. 3.** 9-A MRSA § 2-510, sub-§ 7, as repealed and replaced by PL 1975, c. 433, § 1, is amended to read:

7. Except as otherwise provided in subsection 3, this section does not preclude the collection or retention by the creditor of delinquency charges, section 2-502.

**Sec. 4.** 9-B MRSA § 532, sub-§ 8 is enacted to read:

8. Loans made in conformity with federal regulations. Without regard to any other law, a savings bank may make any loan secured by a first mortgage of real estate if that type of loan is authorized for financial institutions subject to regulations of the Federal Home Loan Bank Board, provided that the superintendent first determines that that type of loan complies with chapter 24.

**Sec. 5.** 9-B MRSA § 732, sub-§ 11 is enacted to read:

11. Loans made in conformity with federal regulations. Without regard to any other law, savings and loan associations may make any loan secured by a first mortgage of real estate if that type of loan is authorized for financial institutions subject to regulations of the Federal Home Loan Bank Board, provided that the superintendent first determines that that type of loan complies with chapter 24.

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved, except that sections 2 and 3 shall take effect only with respect to transactions entered into after January 1, 1982.

Effective March 28, 1980, Unless otherwise indicated

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## CHAPTER 662

S. P. 732 — L. D. 1912

### AN ACT to Amend the Health Facilities Information Disclosure Act.

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

Whereas, the Health Facilities Information Disclosure Act has encouraged the development of a unique approach to health care cost containment, involving both the efforts of public agencies, private agencies and health care providers; and

Whereas, this approach, if successful, may contribute significantly to a moderation in the rise of health care expenditures; and

Whereas, several provisions of the law should be changed in order to enhance the potential effectiveness of this approach; and

Whereas, these changes should be made immediately in order to encourage the early success of this effort in cost containment; 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 enacted by the People of the State of Maine, as follows:**

**Sec. 1.** 22 MRSA § 352, sub-§ 8, as enacted by PL 1977, c. 691, § 1, is amended to read:

**8. Voluntary budget review organization.** “Voluntary budget review organization” means a nonprofit organization established to conduct reviews of budgets of hospitals to determine that prospectively determined overall rates and charges are reasonably just and are reasonably related to reasonable financial requirements, and that these prospective rates and charges are allocated equitably among all purchasers of health services without undue discrimination, except as required by federal and state statutes or regulations.

**Sec. 2.** 22 MRSA § 352, sub-§ 10, is enacted to read:

**10. Reasonable financial requirements.** “Reasonable financial requirements” means those resources required to maintain the financial stability of the health facility for the level and amount of services provided to patients. The determination of the appropriateness of the services and the utilization of those services provided by a health facility is not within the scope of the budget review process.

**Sec. 3.** 22 MRSA § 357, sub-§ 8, as enacted by PL 1977, c. 691, § 1, is repealed and the following enacted in its place:

**8. Performance standards.** Have the power to establish performance standards prospectively in order to evaluate the effects of any approved voluntary budget review organization on the costs of health care services rendered by hospitals participating in the organization and, in accordance with section 366, subsection 1, to establish the methods of and the criteria for calculating these performance standards.

**Sec. 4.** 22 MRSA § 358, sub-§ 5, as enacted by PL 1977, c. 691, § 1 is repealed and the following enacted in its place:

**5. Discharge data.**

**A. Each hospital shall file within an independent data organization a completed Uniform Hospital Discharge Data Set, or comparable information, for each patient discharged from the facility after December 31, 1972.**

**B. Each nursing home shall file with an independent data organization a completed Uniform Hospital Discharge Data Set, or comparable information, for each patient discharged from the facility after the effective date of the rules required under paragraph C and in accordance with a filing date specified in these rules.**

**C. The board shall adopt rules after a public hearing which specify the form and content of discharge data which any nursing home shall file in accordance with the requirements of paragraph B.**

**D. The board shall adopt rules after a public hearing for any publicly released information which may indirectly identify individual patients or health care practitioners.**

**E. The board shall have access to discharge data through the independent data organization, subject to the provisions of paragraphs D and F, provided that individual patients or health care practitioners are not directly identified.**

**F. The board shall have access to discharge data beginning with the effective dates of the rules required under paragraph D for hospitals and nursing homes respectively.**

**G. The affected health facility shall be provided copies of any requests by the board for data sets or analyses and shall have an opportunity to comment on the data or analyses before they are released by the board.**

**Sec. 5. 22 MRSA § 359, sub-§ 2, as enacted by PL 1977, c. 691, § 1, is amended to read:**

**2. Submission of budget.** Commencing with fiscal years beginning on or after July 1, 1979, any hospital subject to review under subsection 1 shall submit to the board its budget for its next fiscal year, together with such any other relevant supplemental reports and information as the board may require, within a reasonable time period as determined by the board, pursuant to rules adopted under section 366.

**Sec. 6. 22 MRSA § 359, sub-§ 3, first sentence, as enacted by PL 1977, c. 691, § 1, is amended to read:**

In accordance with subsection 1, the board is authorized to conduct review reviews of hospital budgets to determine that prospectively determined overall rates and charges are reasonably just and reasonably related to reasonable financial requirements, and that these prospective rates and charges are

allocated equitably among all purchasers of health services without undue discrimination, except as required by federal and state statutes or regulations.

Sec. 7. 22 MRSA § 359, sub-§ 4 is enacted to read:

4. **Fees.** Upon request by the board, any voluntary budget review organization shall contract with the board to carry out a staff analysis of any hospital budget submitted to the board. The board is authorized to charge any hospital submitting its budget to the board a fee for the cost of the analysis provided by a voluntary budget review organization. This fee may not exceed 1/10 of 1% of the total operating expenses of the hospital for the prior year or \$1,000, whichever is greater. The board is authorized to retain any fees collected for the purpose of paying the costs of any analyses requested under this subsection.

Sec. 8. 22 MRSA § 364, sub-§ 2, ¶¶'s A and C as enacted by PL 1977, c. 691, § 1, are amended to read:

A. The budget review procedures are likely to permit the voluntary budget review organization to determine whether prospectively determined overall rates and charges are reasonably just, are reasonably related to **reasonable** financial requirements and are allocated equitably among all purchasers of health services **without undue discrimination, except as required by federal and state statutes or regulations.**

C. The procedures of the organization with respect to the filing of appropriate financial information and the analysis and verification of that information are sufficient to permit the organization to determine whether prospectively determined overall rates and charges are reasonably just, are reasonably related to **reasonable** financial requirements and are allocated equitably among all purchasers of health services **without undue discrimination, except as required by federal or state statutes or regulations.**

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective March 28, 1980

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## CHAPTER 663

S. P. 770 — L. D. 1964

### AN ACT to Make Corrections of Errors and Inconsistencies in the Laws of Maine.

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

Whereas, Acts of this and previous Legislatures have resulted in certain technical errors and inconsistencies in the laws of Maine; and