

MAINE STATE LEGISLATURE

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LEGISLATIVE COUNCIL

January 22, 1997

AGENDA

CALL TO ORDER

ROLL CALL

SECRETARY'S REPORT

EXECUTIVE DIRECTOR'S REPORT

Approved
Item #1: Recommendation to Extend Income Protection Pursuant to
Legislative Council Policy

REPORTS FROM COUNCIL COMMITTEES

OLD BUSINESS

Fade 4 5
Item #1: Recommendation that the Legislative Council Join the
National Council of Legislators from Gaming States
(Tabled at January 16 Council meeting, pending
additional information).

NEW BUSINESS

Item #1: Letter from Long-term Care Steering Committee regarding
Blue Cross Proposals to Form HMO's With Certain
Hospitals

Item #2: After Deadline Requests

ANNOUNCEMENTS AND REMARKS

ADJOURNMENT

Advisory Committee on Gambling

John R. Selser, Staff Coordinator

Post Office Box 206

Readfield, Maine 04355

(207)685-4259

7 January, 1997

The Honorable Elizabeth Mitchell, chair of the Legislative Council
115 State House Station
Augusta, Maine 04333-0115

Dear Madam Speaker:

In April of 1996, the Governor signed Executive Order No. 8 FY 95/96 establishing the Advisory Committee on Gambling ("Committee"). This Committee has met throughout 1996 and is continuing its work into 1997 in order to issue a report on the status of gambling in Maine and to issue recommendations regarding the direction of gambling in Maine based on our research. The final report --after the Committee reviews the recommendations of the Harness Racing Task Force (due February 1, 1997) that pertain to the most effective regulation of off-track betting and simulcasting -- will be submitted to the Governor, President of the Senate, Speaker of the House, and the Joint Standing Committee on Legal and Veterans Affairs of the First Regular Session of the 118th Legislature.

One recommendation that the Committee has already voted on is being transmitted to you by this letter in advance of the final report (expected in April 1997) in anticipation that you will consider this recommendation as you plan the Legislative budget.

SUMMARY FINDING: The Committee has found that Maine, as well as the rest of the nation, is in a period of growth in regard to gambling activity. Nationally, from 1982 to 1996, legal wagering nationwide has increased from \$110 billion to \$482 billion and national lottery sales have increased from under \$4 billion to \$28.53 billion.

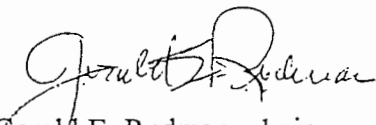
Nelson Rose, a law professor in California who writes extensively on gambling issues, stated in a December 1995 article, "The gambling business is like no other: It is illegal until state lawmakers decide to make it legal." Clearly, the burden regarding the expansion and regulation of gambling for the states is on state lawmakers. Testimony before this Committee in regard to gambling in Maine raised by the legislative activity in the last Legislative Session indicated a need on the part of legislators for more information about gambling. Representative Harry True represented the Legislature at a newly formed organization, The National Council of Legislators from Gaming States, which provided information non-biased information regarding gambling activities in the United States as well as internationally.

The National Council of Legislators from Gaming States was formed under the auspices of the National Conference of State Legislators. Although it is no longer affiliated with them, it takes no funding from the gambling industry, relying on membership dues (\$3,000) for its revenues. Representative True indicated that the organization, composed of state Legislators and Gaming Officials from the states, was created to keep states informed about gambling issues because "gambling is here and we should learn about it."

ADVANCE RECOMMENDATION: This Committee feels that because of the recent growth and the increased interest in gambling activities, the Legislature has a real need to keep informed regarding issues involving gambling activities. We recommend that the Legislative Council join the National Council of Legislators from Gaming States and send at least one legislator from the committee having jurisdiction over gambling issues to those meetings on a regular basis in order to keep the Maine Legislature informed about the latest trends and activities in the gambling industry.

This recommendation is submitted to you from the Advisory Committee on Gambling for your consideration as you plan the upcoming Legislative budget.

Respectfully,


Gerald E. Rudman, chair
The Advisory Committee on Gambling

cc: Angus S. King, Jr., Honorable Governor of the State of Maine
President of the Senate, State of Maine
Speaker of the House, State of Maine
Joint Standing Committee on Legal and Veteran Affairs, State of Maine
✓ Sarah C. Tubbesing, Executive Director of the Legislative Council



Bureau of Elder and Adult Services
Department of Human Services
35 Anthony Avenue
State House Station #11
Augusta, Maine 04333-0011
(207)624-5335



To: Sarah Tubbesing, Executive Director, Legislative Council
From: Betty Forsythe, Assistant to the Director *BK*
Date: January 21, 1997
Subject: Letter from Long-term Care Steering Committee

As staff for the Long-term Care Steering Committee, I have enclosed copies of a letter the committee would appreciate having distributed to members of the Legislative Council.



Long Term Care Steering Committee
Advisory to Maine's Department of Human Services



January 17, 1997

Willard Callender Jr, Chair
 South Portland
 799-8438

Brian Atchinson, Superintendent
 Bureau of Insurance
 34 State House Station
 Augusta, ME 04333

Philip Ohman, Vice-Chair
 Gray
 657-5446

Dear Mr. Atchinson:

Catherine Bell, Houlton
 532-6236

Harmon Harvey, Hallowell
 622-8896

Arnold Leavitt, Auburn
 782-8148

Eileen Lonsdale, Brunswick
 728-9111

Ron Stewart, Wilton
 645-3208

Deborah Williams, Topsham
 725-5258

I am writing on behalf of the State of Maine's Long Term Care Steering Committee, a body established by the 117th Maine Legislature and appointed and impaneled by the Governor, to register our strong concern with the Blue Cross proposals to form HMO's with Maine Medical Center, Central Maine Medical Center, Eastern Maine Medical Center, and other hospitals that might subsequently come to constitute partners for similar projects.

These concerns, which are listed below as a set of questions, seem to us so serious as to warrant both a statewide review of the issues involved in such partnership arrangements, including Legislative review, and a decision-making moratorium, if such a moratorium is legally permissible, on the particular cases under review by your office. This conclusion is based on our feeling that the issues and impacts involved are statewide, not only regional, and threaten to destabilize our state's system of hospital and health services.

Our particular questions are:

- * Why is it necessary for Blue Cross and Blue Shield and Maine Medical Center to change their status from non-profit to a for-profit entity?
- * What protection do the people of Maine have that this will not constitute a monopoly?
- * Is there a conflict of interest between a hospital's provision of medical services and being its own insurer?

- * How will the small community hospitals be maintained considering that they are the choice of some not just because of the more personalized care but because of their geographic location? If people do not live near Maine Medical Center or CMMC, are they expected to travel 100-200 miles to get hospital care?
- * Would a hospital's entrance into such an arrangement fundamentally change its relationship to its community?
- * Would citizens in need of emergency or other care be turned away from a participating hospital and sent to other hospitals?
- * What basic services, if any, which a community has a right to expect from its community hospital and is now receiving, would be sacrificed by the terms of these arrangements?
- * If the projects were to be approved, what other projects would follow?
- * What protection do the people of Maine have of their right to make health care choices?
- * Will the emergence of large regional HMO's have a detrimental effect on competition among providers of medical services?
- * Will the consumer have the choice to go outside of the HMO for medical services?
- * Will the HMO employee authorizing or denying benefits be qualified to make these decisions by their level of medical knowledge?
- * Will HMOs lower costs at the expense of limiting service access to consumers?
- * How will confidentiality of the consumers' medical and mental health information be assured?
- * How will disincentives for primary care physicians to make referrals to specialists be eliminated or controlled?
- * What assurance do we have that this proposed for profit HMO will preserve quality health care in Maine?

These questions are a start, but only a start, the result of two discussions by our committee, attendance at the Portland hearing, and input from several consumer groups. Yet, they are sufficient, we think, to show that Maine citizens are deeply troubled by the fundamental question of whether to permit such partnerships with our largest hospitals at all. This issue seems paramount to us and necessary to answer before proceeding to act upon particular regional proposals.

Thank you for your time and attention.

Sincerely,



Willard D. Callender, Jr.

Chair

cc: Governor's Office
Legislative Council

LEGISLATIVE COUNCIL
REQUESTS TO INTRODUCE LEGISLATION
FIRST REGULAR SESSION
January 21, 1997

Action

SPONSOR: Rep. Gagnon, Kenneth T.

LR 2379 An Act Regarding the Tax Exempt Status of Literacy
Volunteers of America

SPONSOR: Rep. Jones, Kyle W.

LR 2383 An Act to Provide an Appeal to the Public Utilities
Commission for a Party Involved in Cable Television
Franchising

SPONSOR: Rep. Jones, Kyle W.

LR 2384 An Act to Provide the Public Utilities Commission
with Franchising Authority with Respect to Cable
Television

SPONSOR: Rep. Lemaire, Patricia

Dr
LR 2380 An Act to Register New Property for the Thorncrag
Bird Sanctuary with the Department of Inland Fisheries
and Wildlife

SPONSOR: Rep. Townsend, Elizabeth

In
LR 2381 An Act Regarding Family Violence and the Temporary
Assistance to Needy Families Plan

SPONSOR: Rep. Tuttle, Jr., John L.

LR 2375 An Act to Allow Micropigmentation

JOINT RESOLUTION

TABLED BY THE LEGISLATIVE COUNCIL

SPONSOR:	Rep. Donnelly, James O.	TABLED 01/16/97
LR 1393	JOINT RESOLUTION MEMORIALIZING CONGRESS TO PASS A CONSTITUTIONAL AMENDMENT PROTECTING THE UNITED STATES FLAG	
SPONSOR:	Rep. Donnelly, James O.	TABLED 01/16/97
LR 2319	JOINT RESOLUTION MEMORIALIZING CONGRESS TO CONSIDER PREVAILING WINDS CAUSING POLLUTION FROM OTHER AREAS IN PRIORITIZING ENVIRONMENTAL STANDARD REQUIREMENTS	
SPONSOR:	Rep. Donnelly, James O.	TABLED 01/16/97
LR 2320	JOINT RESOLUTION MEMORIALIZING CONGRESS CONCERNING FLAG DESECRATION	
SPONSOR:	Sen. Ruhlin, Richard P.	TABLED 01/16/97
LR 2318	JOINT RESOLUTION MEMORIALIZING THE UNITED STATES POSTAL SERVICE AND MAINE'S CONGRESSIONAL DELEGATION TO RETAIN AND PRESERVE THE HISTORIC POST OFFICE IN CASTINE, MAINE	
SPONSOR:	Rep. Winsor, Tom J.	TABLED 01/16/97
LR 2191	JOINT RESOLUTION MEMORIALIZING CONGRESS TO ADOPT A BALANCED BUDGET OR CALL A CONSTITUTIONAL CONVENTION IF PASSAGE FAILS	