

## STATE OF MAINE

## ONE HUNDRED AND TWELFTH LEGISLATURE FIRST REGULAR SESSION

## JOINT STANDING COMMITTEE ON

HUMAN RESOURCES

BILL SUMMARY



JULY, 1985

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JOINT STANDING COMMITTEE BILL SUMMARIES JULY 1985

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees of the Maine Legislature, covering the First Regular Session of the ll2th Legislature. The summaries are arranged by LD number and indexed separately by committee. · LD:

ΟΤΡ		HOUSE SENATE GOV	Indef. Indef.		
H-71	HA	ROLE		Н	

SUMMARY :

This bill would have authorized grants beginning July 1, **1986**, to municipalities to assist them in automating their general assistance application and administrative procedures. Priority was to be given to projects which have the greatest potential to improve administrative efficiency, reduce paperwork, permit coordination of information needed for various federal and state assistance programs and reduce the potential for fraud. The Committee amendment (H-71) modified the grant program to make it more feasible for smaller Maine communities to also participate in the grant awards. It changed the focus of the grants from solely automation oriented to an orientation in any administrative improvements, including automation. It also required some grants to smaller communities and added a reporting requirement and an appropriation.

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<mark>LD:</mark>	<mark>848</mark> -	MAINE HEALTH CARE FINANCE COMMISSION'S					
	OTP-AM	HOUSE Enacted SENATE Enacted GOV SIGNED	CARROLL PUBLIC CH # 339				
	H-323 H-324	CA MAJ REP H S CB MIN REP					

SUMMARY :

This bill contained several changes in the Maine Health Care Finance Commission law recommended by the commission's hospital advisory committee. The bill:

1. Modified provisions governing application of restricted gift funds so that hospital capital facilities adjustments are not reduced;

2. Eliminated the requirement that 50% of hospital savings operate to reduce permanently subsequent Financial requirements; and

3. Modified provisions governing treatment of certificate of need projects which reduce costs so that a hospital may, with the commission's approval, apply those reductions to other uses. The committee reported out a majority and minority report. The majority report (H-323), which was enacted, provided the following:

In the case of certain activities, such as a termination of an unnecessary service or a merger, the Maine Health Care Finance Commission is given the discretion, under appropriate circumstances, not to reduce a hospital's financial requirements, if such activities are not subject to review under the Maine Certificate of Need Act. This bill amendment permitted the commission not to reduce financial requirements even when such activities are subject to certificate of need requirements.

It also modified provisions governing application of restricted gift funds. It allowed the restricted gift offset to the annual allowance for facilities and equipment for the 2nd and subsequent payment years to equal the amount offset in the first payment year.

Under the current law, 50% of any savings realized by a hospital during a year are retained by the hospital and 50% of the savings are shared by the consumer. The bill also allowed the hospital to retain 100% of the savings.

The minority report (H-324) was identical to the majority report except for the savings provision. The minority report would have left the current law unamended, passing on 50% of the savings to the payors and consumers.

LD:	849	AN ACT TO REVISE THE MAIN	E CER	TIFICATE OF	ROLDE
		NEED ACT FOR HOSPITALS			MURRAY
					INGRAHAM
					BERUBE
	OTP-AM	HOUSE Enacted			PUBLIC
		SENATE Enacted GOV SIGNED			CH # 338
	H-246	СА	Н	S	

SUMMARY:

The original bill amended the Maine Certificate of Need Act as follows.

1. It allowed hospitals the option of obtaining waivers on certificate of need reviews for new services when the capital expenditures are less than \$300,000 or the projected annual operating cost for the 3rd year is greater than \$135,000 but less than \$250,000. As a condition of such a waiver, a hospital is not entitled to a positive adjustment to its financial requirements as determined by the Maine Health Care Finance Commission.

Office of Legislative Assistants Human Resources