

MAINE STATE LEGISLATURE

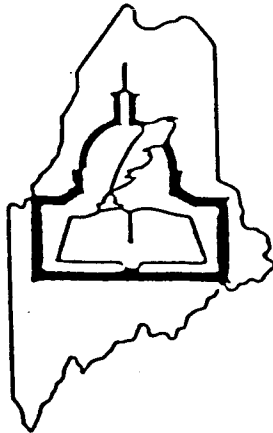
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STATE OF MAINE
ONE HUNDRED AND TWELFTH LEGISLATURE
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON
HUMAN RESOURCES
BILL SUMMARY



MAY 1986

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ONE HUNDRED AND TWELFTH LEGISLATURE
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE
BILL SUMMARIES
MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

| | |
|-----------|---------------------------------------|
| OTP | Ought to Pass |
| OTP-ND | Ought to Pass in New Draft |
| OTP-ND-NT | Ought to Pass in New Draft, New Title |
| OTP-AM | Ought to Pass as Amended |
| ONTP | Ought Not to Pass |
| LVWD | Leave to Withdraw |
| INDEF PP | Indefinitely Postponed |

- 6. to repeal the section of the law which requires the commission to approve hospital reorganizations and to monitor the financial reports of organizations which are deemed by the commission to be affiliated interests;
- 7. to authorize the chairman of each of the 3 advisory committees or the chairman's designee to be an ex officio nonvoting member of the commission; and
- 8. to amend procedures:
 - a. requiring expeditious and cost-effective resolution of contests and application for interim adjustments;
 - b. allowing hospitals and third party payors to seek modification or adjustment to remove limit prior to deadline for notice of contest;
 - c. requiring related documents to be available at least 5 days prior to commission meeting; and
 - d. allowing anyone to participate informally in rule making.

See LD 2372 for the changes made by the new draft.

LD
2018

AN ACT TO REVISE THE CERTIFICATE OF NEED
PROCESS

PL 1985
c. 661

Sponsor: NELSON for the STUDY COMMITTEE
Committee Report: OTP-A

H-603 CA H S

SUMMARY: This bill amends the Certificate of Need process. It is the legislative recommendation from the Certificate of Need study of the Human Resources Committee.

Under the original bill, the Certificate of Need Development Account administered by the Maine Health Care Finance Commission is retained for the first and 2nd payment year cycles. In the 3rd payment year cycle, beginning October 1, 1986, the Certificate of Need Development Account would be superseded by the Hospital Development Account. Also administered by the commission, the Hospital Development Account would have 2 components. One component, composed of 80% of the total amount credited in a particular year, will be the amount available to support projects subject to review under the Maine Certificate of Need Act. The remaining 20% will be an annual amount that will be allocated on a proportionate basis to each hospital and will be available on a hospital specific basis to support either minor projects that a hospital may choose not to submit for review under certificate of need or initiatives that are not subject to review under the Maine Certificate of Need Act. The

amounts in all such accounts are paper credits and no adjustments will be made to a hospital's financial requirements until a proposal is actually implemented. A debit will then be made to the applicable account in an amount equal to the financial requirement associated with the proposal. Unused credits are carried forward to subsequent years.

This bill also prohibits the use of anonymous letters in reviewing certificate of need applications.

The committee amendment (H-603) made the following changes to the original bill:

1. clarified the language concerning the publication of anonymous letters;
2. added a new section to require the Department of Human Services, when reviewing certificate of need applications for facilities within 30 miles of the State's border, to consider the gains that may be anticipated from:
 - a. the ability to attract health care consumers from out-of-state; and
 - b. the ability to retain Maine health care consumers in Maine facilities.

This provision incorporated the intent of LD 1858.

3. amended the bill to provide one-time interim adjustment to financial requirements for these hospitals whose fiscal years begin near or before implementation of this bill. This assures that all hospitals would be able to benefit from the 20% portion, the individual hospital component, of the Hospital Development Account in their 3rd payment year;
4. required the commission to consider additional specified criteria to establishing an amount to be credited to the Hospital Development Account and requires them to report the rationale in setting the amount to the Joint Standing Committee on Human Resources;
5. amended the individual hospital component to give special consideration to the needs of small hospitals by distributing the individual hospital components of the Hospital Development Account on a formula which provides a minimum base allocation to small hospitals before the remainder of the account is allocated on a pro rata basis to each hospital; and
6. made 2 clarifying language changes.