

MAINE STATE LEGISLATURE

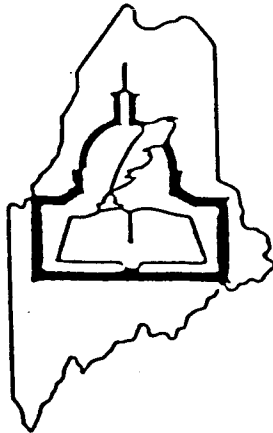
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STATE OF MAINE
ONE HUNDRED AND TWELFTH LEGISLATURE
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON
HUMAN RESOURCES
BILL SUMMARY



MAY 1986

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ONE HUNDRED AND TWELFTH LEGISLATURE
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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

In addition, the committee requested and received authority from the Legislative Council to study the feasibility of insurance pools for all high risk groups.

This bill was amended by H-695 and S-512. H-695 amended the composition of the advisory committee by removing references to specific members of the high-risk community and by adding a member of the clergy and removed the requirement that attorneys' fees be paid in court cases involving violation of this Act. S-512 reduced the appropriation.

The remaining two amendments (H-683 and H-691) were similar to H-695 and were not adopted.

LD 2372	AN ACT TO AMEND THE MAINE HEALTH CARE FINANCE COMMISSION LAWS WITH RESPECT TO THE CERTIFICATE OF NEED DEVELOPMENT ACCOUNT, RECOGNITION OF CERTAIN OPERATING COSTS, REPEAL OF PROVISIONS GOVERNING REORGANIZATIONS AND AFFILIATED INTERESTS, STREAMLINING OF PROCEDURE AND FOR OTHER PURPOSES	PL 1985 c. 778
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Sponsor: TWITCHELL, Crowley, Taylor, Perkins
Committee Report:

SUMMARY: The new draft replaced the original bill. It amended the provisions of the original bill as follows.

1. It allows an adjustment to a hospital's financial requirements for reasonable costs associated with a successful appeal of a commission decision. The costs allowed are limited to those associated with the issues on which the hospital has prevailed in court but include the costs associated with presenting those same issues to the commission in the case from which the appeal was taken.

2. Instead of repealing section 396-L of the Health Care Finance Act, concerning affiliated interests, as the original bill proposed, it amends that section to provide hospitals with greater flexibility in developing new ventures that are not related to the hospital and to improve the ability of hospitals to predict the extent to which the affiliated interests' regulations will apply to particular ventures that they may be planning. This is accomplished by amendments that:

A. narrow the definition of "affiliated interests" to exclude entities that are not subsidiaries and do not perform hospital services;

- B. define "control" to limit the number of entities that may be considered affiliated interests by imposing a 2-part test that must be met before the commission can find that a hospital controls another organization;
- C. replace the broad definition of reorganization, which included both the creation and the extension of any affiliated interests, with a narrower definition of "hospital restructuring" that limits the scope of the commission's prior approval authority to those transactions and corporate changes that have a significant effect on the interests protected by the Health Care Finance Act. This change clarifies the commission's authority in areas of greatest importance while eliminating the overbreadth of the earlier definition and the uncertainty of hospitals with respect to how it might be interpreted;
- D. exempt from the prior approval requirement the transfer of assets by a hospital, so long as it either receives fair value in return or, if it does not, that the transfer is within certain dollar limits that protect financial integrity and viability of the hospital;
- E. establish procedures for hospitals to obtain an early determination of the applicability of the affiliated interests' statute to contemplated, new ventures;
- F. add constraints on the time that the commission may consume in gathering the information necessary to process an application for approval of a hospital restructuring;
- G. allow hospitals to elect not to file the corporate plan required under existing law, if they choose a simplified method of determining the available resources from their affiliated interests; and
- H. require the commission to adopt rules, by November 1, 1986, that will assist affected persons in complying with and predicting the applicability of the affiliated interest provisions of the statutes.

3. It retains the provisions authorizing the chairs of the 3 advisory committees, or their designees, to participate informally in rulemaking; but amends that provision to exclude circumstances when one or more of the chairmen has a conflict of interest.

4. It retains the provision allowing the participation by members of the public and representatives of affected groups to informally participate in rulemaking deliberations of the commission, but amends that provision to limit that participation to matters which clarify the deliberations.

5. It deletes all the other provisions of the original bill; and

6. It adds a new provision to require the Health Care Finance Commission to report annually to the Bureau of Insurance regarding the savings to the payors as a result of the Health Care Finance Commission Act. This report shall be considered by the Bureau of Insurance in approving health insurance rates. The Joint Standing Committee of the Legislature on Human Resources will receive a copy of this report.

LD AN ACT TO PROTECT THE PUBLIC HEALTH AND SAFETY
2401 OF RESIDENTS IN BOARDING CARE FACILITIES

PL 1985
c. 770

Sponsor: GAUVREAU, Melendy
Committee Report: New draft of LD 2207

SUMMARY: This new draft amends the boarding care facilities' laws to accomplish the following:

1. It introduces the term "boarding care facility" to include a boarding home, which has 5 or more residents, and an adult foster home, which has 4 or less residents. The minimum size of a boarding home is amended from 3 residents to 5 residents.

2. It amends the law to prohibit owners, operators and employees from becoming guardians for residents in boarding care facilities unless they are relatives. Prior law was worded to prohibit the facility from acting as guardian, but not the personnel. The original bill would have allowed these personnel to act as guardians with court approval.

3. It prohibits employees of boarding care facilities from becoming conservators of the estates of residents.

4. It defines more clearly the source of funds for state assisted residents to pay boarding care facilities.

5. It changes the terminology in the licensing law to be consistent with this bill and clearly defines when a license is required for an adult foster home. It also allows those facilities with 3 or 4 residents, currently classified as boarding homes and who will be reclassified as adult foster homes under the amended resident requirements (Item #1, above), to retain their classification as boarding homes even though the number of residents in that home would have required reclassification.

6. It repeals and replaces the current definition section of the law. It establishes the definition of boarding care facility and amends the resident requirement which distinguishes boarding homes from adult foster homes as previously mentioned. In addition, some technical