

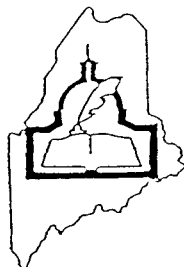
MAINE STATE LEGISLATURE

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STATE OF MAINE
114TH LEGISLATURE
SECOND REGULAR SESSION



BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
HUMAN RESOURCES

JUNE 1990

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**One Hundred and Fourteenth Legislature
Second Regular Session**

**Joint Standing Committee
Bill Summaries**

June 1990

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. The summaries are arranged by LD number for each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor for floor amendments. Final action is listed to the right of the title. Committee Reports and Floor Action are abbreviated as follows:

OTP
OTP-ND
OTP-ND-NT
OTP-A
ONTP
LVWD
INDEF PP

Ought to Pass
Ought to Pass in New Draft
Ought to Pass in New Draft, New Title
Ought to Pass as Amended
Ought Not to Pass
Leave to Withdraw
Indefinitely Postponed

Each individual summary was prepared by the analyst or analysts assigned to the committee. But, this document was produced by the efforts of all the office staff, including secretaries: Charlene Raymond, and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

Please give us your suggestions and comments on these summaries and tell us of any inaccuracies.

LD 2433

An Act to Extend the Certificate of Need Program to All Major Medical Equipment, Raise the Threshold for Review of Certain Projects and Improve Access to Care in Nonhospital Settings (Reported Pursuant to Public Law 1989, chapter 588, Part A, section 56)

LV/WD

SPONSOR(S)

COMMITTEE REPORT

AMENDMENTS ADOPTED

LV/WD

SUMMARY

This bill is the minority report of the Commission to Study the Certificate of Need Law and the Impact of Competitive Market Forces on Ambulatory Health Care.

This bill would have made several changes to Maine's Certificate of Need Program. Thresholds for review of predevelopment activities, acquisition of major medical equipment and of capital expenditures would have been raised. A certificate of need would have been required for all acquisitions of major medical equipment costing \$1,000,000 whether located in a hospital or nonhospital setting. This bill would also have established access requirements for hospital affiliates and certain other nonhospital providers.

See also LD 2435.

LD 2435

An Act to Modify the Applicability of the Certificate of Need Program to Hospitals and to Exempt Certain Hospital Restructuring Activities from the Requirement of Approval by the Maine Health Care Finance Commission (Reported Pursuant to Public Law 1989, chapter 588, Part A, section 56)

PUBLIC 919

SPONSOR(S)

COMMITTEE REPORT

AMENDMENTS ADOPTED

OTP-AM

H-1043

SUMMARY

This bill is the majority report of the Commission to Study the Certificate of Need Law and the Impact of Competitive Market Forces on Ambulatory Health Care.

This original bill raises the certificate of need (CON) threshold for predevelopment activities from \$150,000 to \$250,000 for hospitals. It raises the CON threshold for acquisition of major medical equipment by a hospital to \$1,000,000 if used 20% by inpatients or if the hospital seeks adjustments to its financial requirements. After 1995, the 20% inpatient requirement is eliminated. The bill raises the threshold for capital expenditures by a hospitals from \$500,000 to \$1,000,000 and eliminates the CON requirement for termination of a health service, decreases or transfers in bed capacity and small increases in bed capacity.

The original bill also makes changes in the requirements relating to transactions between hospitals and affiliates by permitting hospitals in the rate per case system to restructure in certain ways without approval of the Health Care Finance Commission, provided that a fair rate of return is documented. It permits the Health Care Finance Commission to establish price limits on significant transactions between hospitals and affiliates, limits the cross-subsidy of affiliates by hospitals and authorizes the Health Care Finance Commission to review restructurings if the hospital seeks to become a total revenue hospital.

The original bill also establishes access requirements for hospital affiliates and certain other providers of significant outpatient services.