

MAINE STATE LEGISLATURE

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L.D. 209

Date: 3/11/25

(Filing No. S- (e))

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STATE OF MAINE
SENATE
132ND LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "F" to COMMITTEE AMENDMENT "A" to H.P. 131, L.D. 209, "An Act to Make Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2025"

Amend the amendment by inserting after Part X the following:

PART Y

Sec. Y-1. 22 MRSA §4302-A, sub-§1, as enacted by PL 2023, c. 575, §1, is amended to read:

1. **Training required.** No later than the 120th day after appointment or election, and annually thereafter, an overseer, municipal official designated by the overseers to administer this chapter and any municipal official appointed to administer this chapter shall complete training on the requirements of this chapter.

Sec. Y-2. 22 MRSA §4302-A, sub-§3 is enacted to read:

3. Communication of program requirements. The department annually shall transmit to an overseer, municipal official designated by the overseers to administer this chapter and any municipal official appointed to administer this chapter information about the rules, requirements and compliance expectations of the municipal general assistance program.

Sec. Y-3. 22 MRSA §4308, sub-§1-A, as enacted by PL 2011, c. 655, Pt. R, §2, is amended to read:

1-A. **Limit on housing assistance.** Except as provided in subsections 1-B and 2, housing assistance provided pursuant to this chapter is limited to a maximum of 9 12 months during the period from July 1, 2012 to June 30, 2013 in a 36-month period per household, except for temporary housing and emergency shelters, as defined by the department by rule.

Sec. Y-4. **Cost-of-living adjustment for essential support workers.** The Department of Health and Human Services shall seek approval from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services to implement a cost-of-living adjustment of 1.95% in fiscal year 2024-25 for

SENATE AMENDMENT

ROS

1 reimbursement rates pursuant to rule Chapter 101: MaineCare Benefits Manual, Chapter
2 III, Sections 2, 12, 13, 17, 18, 19, 20, 21, 26, 28, 29, 65, 92, 96 and 97, Appendix C all as
3 originally scheduled for January 1, 2025. The department shall submit the required
4 methodology notice necessary to seek approval under this section of a cost-of-living
5 adjustment as soon as practicable but no later than March 31, 2025, and, upon receipt of
6 the approval, the department shall make the cost-of-living adjustment retroactive to the
7 effective date approved by the Centers for Medicare and Medicaid Services.
8 Notwithstanding any reduction in the availability of funding due to projected or actual
9 MaineCare budget shortfalls, the department may not reduce or eliminate the cost-of-living
10 adjustment of 1.95% in fiscal year 2024-25 for reimbursement rates for essential support
11 workers pursuant to the MaineCare Benefits Manual sections referenced in this section.

12 The department shall notify the Secretary of the Senate, the Clerk of the House of
13 Representatives and the Revisor of Statutes when the department has submitted the request
14 for approval required by this section.

15 **Sec. Y-5. MaineCare program review.** The Department of Health and Human
16 Services shall engage a 3rd-party independent entity, referred to in this section as "the
17 independent entity," to conduct a review of the MaineCare program for fraud, waste and
18 abuse pursuant to this section.

19 **1. Selection of independent entity.** Within 30 days of the effective date of this Part,
20 the department shall issue a request for proposals to determine, through a competitive
21 bidding process, the independent entity to conduct the review required by this section.

22 **2. Duties of independent entity.** The independent entity chosen shall:

23 A. Review and assess current processes, procedures and capacity in place to identify
24 fraud, waste and abuse, including but not limited to the department's Fraud
25 Investigation and Recovery Unit, the MaineCare program integrity unit, the Medicaid
26 Eligibility Quality Control program and the efficacy of the State's implementation of
27 the payment error rate measurement process;

28 B. Identify best practices in state fraud, waste and abuse prevention, identification and
29 resolution;

30 C. Assess effectiveness of efforts to ensure clinically appropriate and compliant coding
31 and claims practices, payment integrity and quality control; and

32 D. Make recommendations to strengthen the State's practices for preventing,
33 identifying and addressing fraud, waste and abuse in Medicaid.

34 **3. Report.** The independent entity shall provide the department with a final report
35 regarding the independent entity's findings no later than December 29, 2025.

36 **4. Recapture.** If the independent entity does not complete the requirements identified
37 in subsection 2 or fails to provide the report required by subsection 3, the funding provided
38 to the independent entity is subject to recapture in an amount determined by the department
39 based on the percentage by which the independent entity failed to comply. Within 10 days
40 of this determination, the department shall notify the independent entity of the
41 determination and the amount of funding the independent entity is required to return.
42 Within 30 days of notice by the department, the independent entity shall refund to the
43 department the amount requested.

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Sec. Y-6. Report by Department of Health and Human Services regarding MaineCare fraud, waste and abuse. The Department of Health and Human Services shall submit a report regarding the MaineCare program review for fraud, waste and abuse conducted pursuant to section 5 of this Part and any necessary implementing legislation to the Joint Standing Committee on Appropriations and Financial Affairs by January 5, 2026. The joint standing committee shall report out a bill to the Second Regular Session of the 132nd Legislature based on the report.

Sec. Y-7. Appropriations and allocations. The following appropriations and allocations are made.

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF
Office of MaineCare Services 0129**

Initiative: Provides one-time funding to contract with a 3rd-party independent entity to complete a review of the MaineCare program regarding fraud, waste and abuse.

GENERAL FUND	2025-26	2026-27
All Other	\$250,000	\$0
GENERAL FUND TOTAL	\$250,000	\$0
FEDERAL EXPENDITURES FUND	2025-26	2026-27
All Other	\$250,000	\$0
FEDERAL EXPENDITURES FUND TOTAL	\$250,000	\$0

Amend the amendment by striking out the emergency clause and substituting the following:

'Emergency clause. In view of the emergency cited in the preamble, except for that section of this Act that requires the Department of Health and Human Services to submit the required methodology notice to seek approval from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services to implement a cost-of-living adjustment of 1.95% in fiscal year 2024-25, which takes effect when this legislation is approved, this legislation takes effect when the department seeks that approval.'

Amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment does the following.

1. It amends the training requirements for overseers, municipal officials designated by an overseer or a municipal official appointed to administer municipal general assistance to require training to be done annually and requires the Department of Health and Human Services to provide information about the rules, requirements and compliance expectations of the municipal general assistance program to those individuals.

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2. It limits housing assistance under the municipal general assistance program, except for temporary housing and emergency shelters, to a maximum of 12 months in a 36-month period.

3. It requires the Department of Health and Human Services to submit the required methodology notice to seek approval from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services to implement a cost-of-living adjustment of 1.95% in fiscal year 2024-25 for reimbursement rates for certain essential support workers. The department is required to submit the required methodology notice no later than March 31, 2025 and to notify the Secretary of the Senate, the Clerk of the House and the Revisor of Statutes when the department seeks the approval.

4. It requires the Department of Health and Human Services to contract, through a competitive bidding process, with a 3rd-party independent entity to conduct a review of the MaineCare program for fraud, waste and abuse, based on specified criteria, and to report to the department with its findings no later than December 29, 2025. If the independent entity fails to fulfill the requirements of the contract, the funds allocable to the portion of the requirements that the independent entity failed to complete must be repaid to the department.

5. It requires the Department of Health and Human Services to provide a report regarding the findings of the review of the MaineCare program for fraud, waste and abuse to the Joint Standing Committee on Appropriations and Financial Affairs by January 5, 2026, along with any necessary implementing legislation. The joint standing committee is required to report out a bill to the Second Regular Session of the 132nd Legislature based on the report.

6. It amends the emergency clause to specify that the entire Act, except for the piece requiring the Department of Health and Human Services to submit the required methodology notice to seek approval to implement the cost-of-living adjustment for essential support workers, does not take effect until the department has sought that approval.

SPONSORED BY: Mattie Laura Daughtry
(President DAUGHTRY, M.)
COUNTY: Cumberland

FISCAL NOTE REQUIRED
(See attached)

SENATE AMENDMENT



132nd MAINE LEGISLATURE

LD 209

LR 2408(29)

An Act to Make Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Year Ending June 30, 2025

Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$250,000	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$250,000	\$0	\$0	\$0
Federal Expenditures Fund	\$250,000	\$0	\$0	\$0

Fiscal Detail and Notes

The amendment includes a one-time General Fund appropriation of \$250,000 to the Department of Health and Human Services, Office of MaineCare Services to contract with an independent third-party entity to complete a review of the MaineCare program regarding fraud, waste and abuse. Federal Expenditure Funds allocations are also included for the federal match.

The amendment also limits housing assistance under the general assistance program to a maximum of 12 months in a 36-month period, except for temporary housing and emergency shelters. A precise estimate of the fiscal impact is not possible because recipient data related to the number of months of assistance received, the type of assistance received and the amounts paid to each recipient resides at the municipal level and varies over time.

The amendment also requires the Department of Health and Human Services to seek federal approval to implement a cost-of-living adjustment (COLA) of 1.95% for reimbursement rates for essential support workers as required by Title 22, section 7402. Because General Fund appropriations and associated Federal Expenditure Funds allocations to implement a 1.95% COLA for reimbursement rates for essential support workers effective January 1, 2025 were included in Public Law 2023, chapter 17, no net fiscal impact is expected.