

MAINE STATE LEGISLATURE

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STATE OF MAINE
126TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON HEALTH AND HUMAN
SERVICES**

May 2014

STAFF:

JANE ORBETON, SENIOR ANALYST
ANNA BROOME, LEGISLATIVE ANALYST
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670

&

CHRISTOPHER NOLAN, LEGISLATIVE ANALYST
OFFICE OF FISCAL AND PROGRAM REVIEW
5 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1635

MEMBERS:

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STATE OF MAINE
126TH LEGISLATURE
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LEGISLATIVE DIGEST OF BILL SUMMARIES AND
ENACTED LAWS

The *Digest* is arranged within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

CARRIED OVER.....carried over to a subsequent session of the Legislature
CON RES XXX chapter # of constitutional resolution passed by both houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; legislation died
DIED BETWEEN HOUSESHouse & Senate disagreed; legislation died
DIED IN CONCURRENCE defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT action incomplete when session ended; legislation died
EMERGENCYenacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE.....emergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE..... failed to receive final majority vote
FAILED, MANDATE ENACTMENT.....legislation proposing local mandate failed required 2/3 vote
HELD BY GOVERNOR..... Governor has not signed; final disposition to be determined at subsequent session
LEAVE TO WITHDRAW.....sponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODY.....ruled out of order by the presiding officer; legislation died
INDEF PP..... indefinitely postponed; legislation died
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X... ought-not-to-pass report accepted; legislation died
P&S XXX..... chapter # of enacted private & special law
PUBLIC XXX chapter # of enacted public Law
RESOLVE XXX chapter # of finally passed resolve
VETO SUSTAINED.....Legislature failed to override Governor's veto

The effective date for non-emergency legislation enacted in the Second Regular Session of the 126th Legislature is August 1, 2014. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Health and Human Services

specific requirements, including:

- A. Requirements for the council to consult with specified state agencies and local governments when developing the long-term plan; and
- B. Strategies and timelines that provide for the coordination of resources and services across state government and the elimination of duplicate programs and services to reflect the diversity of and uniqueness of young children and their families and to maximize federal funding; and

10. Requiring the long-term plan to be developed within 12 months of the effective date of this bill.

Committee Amendment "A" (S-401)

This amendment is the majority report of the committee. This amendment deletes any proposed duties of the Maine Children's Growth Council to implement and ensure implementation of the long-term plan. The amendment changes the required qualifications for state agency representatives who are appointed to the council by requiring a representative to be knowledgeable about the healthy development of the State's young children and their families and the work of the council. The amendment adds to the Maine Children's Growth Council a representative of the federally recognized Indian tribes in the State. The representative of the Indian tribes must be chosen by the tribe whose turn it is in rotation to serve on the council, nominated to the Governor and appointed by the Governor. The amendment corrects the designation of a council member from the director of the Head Start collaboration project within the Department of Health and Human Services, Office of Child Care and Head Start to the director of the Head Start collaborative office within the Department of Health and Human Services and provides for a designee of the director to serve on the council. The amendment substitutes the Commissioner of Health and Human Services for the Commissioner of Public Safety in the membership of the council. The amendment makes the state agency commissioners and representatives nonvoting members of the council. The amendment removes reimbursement and compensation for public members of the council.

LD 1487

An Act To Provide Fiscal Predictability to the MaineCare Program and Health Security to Maine People

Veto Sustained

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| KATZ | OTP-AM ONTP | S-419 |

This bill was carried over from the First Regular Session of the 126th Legislature.

This bill establishes managed care in the MaineCare program. The bill includes requirements for managed care plans and for contracting by the Department of Health and Human Services for managed care services. The bill specifies how MaineCare members enroll in managed care plans. The bill requires the Department of Health and Human Services to apply for approval of a Medicaid state plan amendment to allow use of MaineCare funds to purchase available employer-sponsored health coverage and delays implementation of that provision until approval has been granted.

Committee Amendment "B" (S-419)

This amendment, which is the majority report of the committee, replaces the bill. The amendment contains the following provisions.

Part A establishes managed care in the MaineCare program. It includes requirements for managed care plans and for contracting by the Department of Health and Human Services for managed care services. It specifies how MaineCare members enroll in managed care plans, provides opportunities for disenrollment, provides for capitated payments to managed care plans, establishes a minimum loss ratio for managed care plans, provides a choice of plans and a choice counseling system that ensures the consumer has access to accurate information, establishes an

Joint Standing Committee on Health and Human Services

ombudsman funded by the managed care plans to identify and report on systemic issues and to assist MaineCare members and providers with grievances and appeals, sets the minimum benefit package and authorizes major substantive rulemaking by the department. It establishes a managed care stakeholder group on capitated managed care in the MaineCare program to design and plan for implementation and make recommendations for implementation of managed care to the department. It requires the department to issue a request for information to determine whether there is sufficient interest among managed care companies to provide managed care as set forth in the law and in a manner that is consistent with and compatible with the goals and structure of the value-based purchasing initiatives being undertaken by the department, including but not limited to health homes, patient-centered medical homes, accountable communities, peer support organizations and other issues that are identified in the responsibilities of the stakeholder group. It requires the department to report by March 1, 2015 to the joint standing committee of the Legislature having jurisdiction over health and human services matters on the status of implementation of managed care pursuant to the Maine Revised Statutes, Title 22, section 3174-WW, each of the areas addressed by the managed care stakeholder group, the specific recommendations of the stakeholder group and the department's value-based purchasing initiative, including accountable care. The report must also include actual and projected cost savings and the structure of the managed care program. Beginning April 1, 2015, the department is required to provide a report every month to the joint standing committee of the Legislature having jurisdiction over health and human services matters on the implementation of managed care. It imposes a schedule of required rulemaking to ensure prompt implementation of managed care. It requires the department to apply to the federal Department of Health and Human Services, Centers for Medicare and Medicaid Services for approval of a state plan amendment under the United States Social Security Act, Section 1932(a) to implement the provisions of this amendment and to apply for all necessary waivers. It provides a contingent effective date that requires notification from the department to the Revisor of Statutes that all necessary approvals have been granted.

Part B expands medical coverage under the MaineCare program to adults who qualify under federal law with incomes up to 133 percent of the nonfarm income official poverty line, with the 5 percent federal income adjustment for family size, and qualifies Maine to receive federal funding for 100 percent of the cost of coverage for members who enroll under the expansion. Adults eligible are those 21 to 64 years of age, effective July 1, 2014, and, if the expansion of MaineCare coverage is not repealed, adults 19 and 20 years of age, beginning October 1, 2019. The expansion of Medicaid eligibility contained in this Part is repealed the earlier of either December 31, 2016 or three circumstances occurring: the enhanced Federal Medical Assistance Percentage for calendar years 2014 to 2016 is reduced below certain stated levels; the reduced enhanced Federal Medical Assistance Percentage has taken effect; and after the occurrence of the reduction of the enhanced Federal Medical Assistance Percentage the Legislature has convened and conducted a session of at least 30 calendar days.

Part C requires the Office of Fiscal and Program Review to contract with a nonpartisan research organization to evaluate the financial feasibility of providing health care coverage to newly eligible MaineCare members through the health insurance marketplace, modeled after Medicaid expansion coverage in Arkansas or Iowa, and the feasibility of establishing a state basic health program similar to Washington's basic health plan and to report the findings of the evaluation to the joint standing committee of the Legislature having jurisdiction over health and human services matters by February 15, 2015. It directs the Office of Fiscal and Program Review to contract for an examination of the impact of the MaineCare expansion on programs and services that do not currently receive Federal Medical Assistance Percentage matching funds or do not qualify for enhanced Federal Medical Assistance Percentage matching funds under the federal Patient Protection and Affordable Care Act, 42 United States Code, Section 18001 et seq., with the goal of identifying and maximizing General Fund savings. It requires that the research organization report by February 15, 2015 and February 15, 2016 to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs, the joint standing committee of the Legislature having jurisdiction over health and human services matters and the joint standing committee of the Legislature having jurisdiction over criminal justice and public safety matters on the amount of General Fund savings resulting from the MaineCare expansion. The reports must include the amount of savings expected and realized during fiscal years 2014-15 and 2015-16 by service area or program. It requires the State Budget Officer to calculate the amount of savings that applies against each General Fund account for all departments and agencies from savings associated with the MaineCare expansion and to transfer the amounts by financial order upon the

Joint Standing Committee on Health and Human Services

approval of the Governor. It requires the State Controller to transfer any remaining savings to the MaineCare Stabilization Fund. It requires the State Budget Officer to provide a report of the transferred amounts to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs no later than April 30, 2015 for fiscal year 2014-15 and to submit adjustments to baseline budget requests totaling no less than \$11,800,000 per year to reflect the continuation of the identified savings in the 2016-2017 biennium.

Part D provides funding for positions in the Department of Health and Human Services, Office of Family Independence - District program.

Part E requires the department, when enrolling a MaineCare member who is eligible under Title 22, section 3174-G, subsection 1, paragraph H or I, to provide written notice that is readable at the 6th-grade reading level to the member of the requirement to sign up as a patient with a primary care provider promptly after enrolling in the MaineCare program and that the member's MaineCare coverage will end no later than December 31, 2016 unless a law is passed to extend coverage past that date.

Part F establishes the Task Force to Create Opportunities for Stable Employment for MaineCare Members. The task force is directed to meet up to four times in order to identify any policies in MaineCare that penalize or create a disincentive for members' increasing hours of employment or earnings, to make recommendations to eliminate barriers to and to propose new policies that support and promote stable and lasting employment, to examine rules related to MaineCare transitional assistance and any opportunities to further reduce the adverse effects on working families that lose eligibility for MaineCare and to consider solutions that provide continuity of care and minimize persons' moving on and off the MaineCare program. The task force is directed to submit a report to the joint standing committee of the Legislature having jurisdiction over health and human services matters by December 8, 2014.

Part G directs the department to implement reforms specified in Public Law 2013, chapter 368, Part SS, section 4, to carry out the directives and implement the initiatives contained in Resolve 2013, chapter 24 and Public Law 2013, chapter 368, Part NN and Part SS, section 1 and to consider five reforms. This Part requires that savings resulting from accomplishing the required reforms in programs for adults with intellectual disabilities and autism be used to serve persons on the waiting lists for benefits under the MaineCare Benefits Manual, Chapter 101, Chapter II, Section 21, Home and Community Benefits for Members with Intellectual Disabilities or Autistic Disorder and Section 29, Support Services for Adults with Intellectual Disabilities or Autistic Disorder. This Part directs the department to develop a plan with clear steps and a timeline to ensure that waiting lists for services under Sections 21 and 29 do not exceed six months by January 15, 2015, and to present the plan to the Legislature by October 1, 2014. This Part authorizes the department to adopt emergency rules to accomplish the duties contained in law.

Part H directs the Department of the Attorney General to undertake an initiative to strengthen fraud investigation in the MaineCare program. The Department of the Attorney General is directed to establish two new positions within the Health Care Crimes Unit to investigate allegations of misuse of public funds in the MaineCare program and to aid the Attorney General in the prosecution of crimes and other legal actions related to misuse of public funds.

LD 1552 Resolve, To Provide for an Analysis of MaineCare Rates for Facility-based Preschool Services for Children with Disabilities and a Report on the Analysis Veto Sustained

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|----------------------|-------------------------|---------------------------|
| FARNSWORTH ALFOND | OTP-AM ONTP | H-668 |

This bill was carried over from the First Regular Session of the 126th Legislature.

This resolve requires the Department of Health and Human Services to initiate a rate-setting procedure for coverage