

MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 2247

H. P. 2088

House of Representatives, February 25, 1976

Reported by Mrs. Clark from the Committee on Business Legislation pursuant to H. P. 1673 and printed under Joint Rules No. 3.

EDWIN H. PERT, Clerk

Filed under Joint Rule 3 pursuant to H. P. 1673.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SIX

**AN ACT to Require Home Health Care Coverage to be Offered in all
Health Care Policies and Contracts.**

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 24 MRSA § 2320 is enacted to read:

§ 2320. Home health care coverage

1. Coverage. Every nonprofit hospital or medical service organization which issues group and individual health care contracts providing coverage for inpatient hospital care to residents of this State shall make available and, if requested by the subscriber holding a direct payment contract or by all subscribers in a group remittance group or by the contract holder of a group contract, shall provide coverage for coordinated home health care services provided in lieu of hospitalization by a home health agency certified by the Department of Human Services. Such services may be provided only by an agency which has contracted with the nonprofit hospital or medical service organization under terms and conditions which the organization deems satisfactory to its membership.

2. Coordinated home health services. For the purpose of this section, "coordinated home health services" shall consist of, but shall not be limited to, the following:

A. Visits by a registered nurse or licensed practical nurse to carry out treatments prescribed, or supportive nursing care and observation as indicated;

B. A physician's home or office visits or both;

C. Visits by a registered physical or speech or occupational or inhalation or dietary therapist for services or for evaluation of, consultation with and instruction of nurses in carrying out such therapy prescribed by the attending physician or both; and

D. Any prescribed laboratory tests and x-ray examination using hospital or community facilities, drugs, dressings or oxygen, as prescribed by a physician but only to the extent that such charges would have been covered under the contract if the covered person had remained in the hospital.

3. Certified home health agency. For purposes of this section, a "certified home health agency" means an agency or organization which:

A. Is primarily engaged in and licensed or certified to provide skilled nursing and other therapeutic services under the direction of a full-time administrator;

B. Has policies established by a professional group, associated with the agency or organization, which professional group must include at least one physician and one registered nurse;

C. Is available to provide the care needed in the home 7 days a week and has telephone answering service available 24 hours per day;

D. Has the ability to and does provide, either directly or through contract, the services of a coordinator responsible for case discovery, planning of early hospital discharges, assuring a proper transition from hospital to home and assuring that the covered person receives the services ordered by the physician;

E. Has under contract the services of a physician-advisor licensed by the State of Maine or a physician;

F. Conducts periodic case conferences for the purpose of individualized patient care planning and utilization review; and

G. Maintains a complete medical record on each patient.

4. Conditions. The contract providing coverage for the coordinated home health services referred to in this section may provide that such services are covered only if continued hospitalization would have been necessary but for the availability of such services and the referring physician verifies the same. The contract may provide coverage for only one home health service at a time. The contract may also contain reasonable limitation on the number of home care visits and other services provided but the number of such visits shall not be less than 40 in any continuous period of 12 months for each person covered under the contract. Each visit by a member of a home health care team shall be considered as one home care visit.

5. Exemption. A hospital or medical service organization which voluntarily provides to its membership the coverage set forth above shall be exempt from the provisions of this section upon a determination by the Superintendent of Insurance that such coverage is being voluntarily provided.

6. Effective date. The requirements of this section shall apply to all subscriber contracts delivered or issued for delivery in this State more than 120 days after the effective date of this Act.

Sec. 2. 24-A MRSA § 2745 is enacted to read:

§ 2745. Home health care coverage

1. Coverage. Every insurer which issues or issues for delivery in this State health insurance policies which provide coverage for inpatient hospital care to residents of this State shall make available and, if requested by the insured, shall provide coverage for coordinated home health care services provided in lieu of hospitalization by a home health agency certified by the Department of Human Services.

2. Coordinated home health services. For purposes of this section, "coordinated home health services" shall have the same meaning as in Title 24, section 2320, subsection 2.

3. Certified home health agency. For purposes of this section, a "certified home health agency" shall have the same meaning as in Title 24, section 2320, subsection 3.

4. Conditions. The policy providing coverage for the "coordinated home health services" referred to in this section may provide that such services are covered only if continued hospitalization would have been necessary but for the availability of such services and the referring physician verifies the same. The policy may provide coverage for only one home health service at a time. The policy may also contain reasonable limitation on the number of home care visits and other services provided but the number of such visits shall not be less than 40 in any continuous period of 12 months for each person covered under the policy. Each visit by a member of a home health care team shall be considered as one home care visit.

5. Deductibles; coinsurance. Home health care benefits may be subject to an annual deductible of not more than \$50 for each person covered under the policy and may be subject to a coinsurance provision which provides for coverage of not less than 75% of the reasonable charges for such services. The policy may also contain reasonable limitations and exclusions applicable to home health care coverage.

6. Medicare. No policy need provide home health care coverage to persons eligible for medicare.

7. Effective date. The requirements of this section shall apply to all policies delivered or issued for delivery in this State more than 120 days after the effective date of this Act.

Sec. 3. 24-A MRSA § 2837 is enacted to read:

§ 2837. Home health care coverage

Every insurer which issues or issues for delivery in this State group and blanket policies which provide coverage for inpatient hospital care to residents of this State shall make available and, if requested by the insured, shall

provide coverage for coordinated home health care services provided in lieu of hospitalization by a home health agency certified by the Department of Human Services. Such coverage shall be governed by the definitions, terms and conditions set forth in section 2745.

The requirements of this section shall apply to all policies delivered or issued for delivery in this State more than 120 days after the effective date of this Act.

STATEMENT OF FACT

This bill is the result of the Business Legislation Committee's study of home health care coverage pursuant to a study order, H. P. 1673.

The bill would require coverage for home health care service as defined in the bill, to be offered as an option in all health care policies and contracts that provide coverage for inpatient hospital care.

Further background on the bill may be found in the Business Legislation Committee's report on its study.