

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 824

6
7 H.P. 552

House of Representatives, February 28, 1985

8 On Motion of Representative Carter of Winslow, referred to the
9 Committee on Appropriations and Financial Affairs. Sent up for concurrence
and ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Connolly of Portland.

11 Cosponsored by Senator Najarian of Cumberland and Speaker Martin of
Eagle Lake.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FIVE
16

17 AN ACT Concerning Access to Medical Care for
18 Persons without Adequate Health
19 Insurance.
20

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

23 Sec. 1. 22 MRSA §3186 is enacted to read:

24 §3186. Maine Medical Assistance Fund

25 Access to medical care is limited or unavailable
26 to many citizens of the State whose income, resources
27 or health insurance are insufficient to meet the cost
28 of necessary medical services and who are categori-
29 cally ineligible for federally-assisted medical care
30 services. The Legislature finds this situation in-
31 tolerable since inadequate health coverage discour-
32 ages the prevention of serious medical conditions,
33 creates severe hardship and suffering for the indi-
34 vidual in need of care and leads to increased use of
35 tertiary care, particularly inpatient hospital care.

1 It is declared to be the policy of the State to use
2 all practicable means to provide adequate health care
3 to all of its citizens whose incomes and resources
4 are insufficient to meet the cost of necessary medi-
5 cal services.

6 The Department of Human Services may provide fi-
7 nanacial assistance to, or on behalf of, families or
8 individuals residing in this State whose costs, when
9 or wherever incurred or likely to be incurred, for
10 hospital outpatient care, physicians' services, rural
11 health clinic services, dentists' services, drugs,
12 applicants' and other related services, including
13 skilled nursing home care, as defined by the depart-
14 ment and as determined by the department to be neces-
15 sary, cannot be met from their own or other sources,
16 when those costs are of such magnitude as to consti-
17 tute a financial catastrophe for those families or
18 individuals, or when it can be determined that medi-
19 cal indigency exists. Eligible dentists' services
20 shall be limited to acute care directly related to an
21 accident and oral surgical and related medical proced-
22 ures not involving dentition and gingivae. Skilled
23 nursing home care shall be an eligible service only
24 when the patient is admitted to a skilled nursing fa-
25 ility within 7 days of discharge from a general hos-
26 pital, following a minimum inpatient stay of at least
27 5 days. Eligibility for payment for skilled nursing
28 home care shall be for a maximum of 60 days in any
29 one year or in association with any one illness epi-
30 sode. For the purposes of this chapter, "hospital"
31 shall include a nursing institution conducted by and
32 for the adherence of a recognized church or religious
33 denomination which depends exclusively upon spiritual
34 means through prayer for the treatment of illness.

35 Application for assistance through the Maine Med-
36 ical Assistance Fund shall be made by the individual
37 who is, or has been, or will be, receiving the care
38 for which financial assistance is being sought, or by
39 a person who is or will be legally responsible for
40 those costs, or by a legal representative of that in-
41 dividual. Assistance shall be available through this
42 fund only on behalf of specific individuals and only
43 for those who are not eligible for aid through
44 federally-matched medical care programs as adminis-
45 tered in this State. It shall terminate when any

1 similar federal program becomes effective. The Gov-
2 ernor shall determine by proclamation when that fed-
3 eral program has become effective.

4 Eligibility for, and aid through, this fund shall
5 be on a year-to-year basis. Eligibility and the
6 amount of aid shall be determined only after the full
7 application to the costs of medical care in any
8 12-month period of all applicable health care insur-
9 ance benefits, other 3rd party payer benefits legally
10 provided for or liability benefits identified as be-
11 ing for medical or rehabilitative care. The percent-
12 age of nonexcluded assets, as defined by the United
13 States Supplemental Security Income Program, belong-
14 ing to the applicant or those legally responsible for
15 the applicant shall be assumed to be applicable to
16 the liabilities for care.

17 After the application of all of the resources
18 mentioned in this section, applicants shall be eligi-
19 ble for assistance if their residual liability ex-
20 ceeds the following amounts.

21 Families with children shall be eligible for as-
22 sistance for covered expenses when they have incurred
23 or are likely to incur medical expenses during a
24 month or months greater than the amount by which
25 their net income for the same period, computed in ac-
26 cordance with the rules of the Aid to Families with
27 Dependent Children Program, exceeds the Aid to Fami-
28 lies with Dependent Children standard of need for a
29 family of the same size. Single individuals and cou-
30 ples without children shall be eligible for assist-
31 ance when they have incurred or are likely to incur
32 medical expenses during a month or months greater
33 than the amount by which their net income for the
34 same period, computed in accordance with the rules of
35 the State Supplemental Security Income Program, ex-
36 ceeds the maximum countable income level for the
37 State Supplemental Security Income Program.

38 When an individual is responsible for the medical
39 liabilities for more than one applicant in a given
40 year, the applicant may be eligible for assistance
41 when spend-down is met for only one applicant.

1 Reimbursements shall not be made for bills al-
2 ready paid or for the amount incurred by the appli-
3 cant to meet program eligibility. Payments from this
4 fund shall only be made directly to the vendors or
5 providers of care. This section shall not be deemed
6 to create any rights or causes of action against the
7 State in such a vendor or provider of care, his heirs
8 or assigns. When eligibility has been established,
9 the department may make payments from this fund, dur-
10 ing the remainder of the year of eligibility, for
11 those goods and services provided for in this sec-
12 tion.

13 Funds from this program may be used during the
14 eligibility period to assist persons covered by the
15 program in obtaining and maintaining private health
16 insurance if the cost to the department of the premi-
17 ums for private health insurance would be less than
18 the cost of providing the same services to the person
19 being assisted by the program. In addition, the de-
20 partment may establish an assigned risk pool which
21 would cover those individuals who were refused cover-
22 age by at least 3 carriers or private health insur-
23 ance.

24 The Department of Human Services shall adopt and
25 promulgate the additional rules which may be neces-
26 sary for proper, equitable and effective administra-
27 tion of this section.

28 The adoption, amendment or repeal of any rules
29 governing this section are subject to the require-
30 ments of the Maine Administrative Procedure Act, Ti-
31 tle 5, chapter 375.

32 Any balances of funds appropriated for medical
33 expenses under this section shall not lapse, but
34 shall be carried forward from year to year to be ex-
35 pended for the same purpose.

36 The receipt of benefits under the Maine Medical
37 Assistance Program shall constitute an assignment by
38 the recipient to the department of the right to re-
39 cover from 3rd parties for medical costs of injury,
40 disease, disability or similar occurrence for which
41 the recipient receives medical benefits. The depart-
42 ment's assigned right to recover shall be limited to

1 the amount of medical benefits received by the recip-
2 ient. The recipient shall be considered to have ap-
3 pointed the commissioner as his attorney in fact to
4 perform the specific act of submitting claims to in-
5 surance carriers or endorsing to the department any
6 and all drafts, checks, money orders or other nego-
7 tiable instruments collected with the payment of 3rd
8 party medical claims. For the purposes of this para-
9 graph, "3rd party" means any entity that is or may be
10 liable to pay all or part of the medical costs of in-
11 jury, disease, disability or similar occurrence, of
12 an applicant or recipient of benefits under the Maine
13 Medical Assistance Program.

14 Sec. 2. Commission established. There is estab-
15 lished a Special Select Commission on Access to
16 Health Care that shall investigate the extent to
17 which citizens of this State are without access to
18 adequate health care and the level of medical care
19 available to persons without adequate health insur-
20 ance.

21 1. The commission shall have 11 members as fol-
22 lows: Three members of the Legislature, including one
23 Senator and 2 Representatives; 2 members representing
24 providers of direct medical care, one of whom is a
25 physician and the other an allied health profession-
26 al; one member representing medical researchers; one
27 member representing health care institutions; one
28 member representing the health insurance industry;
29 one member representing the general public; and 2
30 members representing low income consumers of health
31 care.

32 2. The members of the commission shall be ap-
33 pointed by the Speaker of the House of Representa-
34 tives and the President of the Senate.

35 3. The commission shall inquire into the extent
36 to which citizens of this State are without adequate
37 health care because their incomes and resources are
38 insufficient to meet the cost of necessary health
39 care. The commission shall make recommendations to
40 the Second Regular Session of the 112th Legislature
41 as to how universal access to necessary medical care
42 may be achieved for all citizens. The inquiry shall
43 include, but not be limited to, a review of those

1 Medicaid options in which the State does not present-
2 ly participate, the possibility of providing health
3 coverage to needy citizens presently without coverage
4 through the purchase of private group insurance, or
5 the feasibility of expanding comprehensive
6 state-funded medical assistance programs to needy
7 persons.

8 4. In order to carry out its duties, a commis-
9 sion shall be appropriated \$50,000, of which up to
10 \$40,000 shall be used to undertake a study of the
11 citizens of this State to determine the extent to
12 which citizens of this State are without adequate
13 health care because of their income and resources,
14 the extent to which citizens of this State lack ade-
15 quate health insurance to cover the cost of medical
16 care and the extent to which they are medically dis-
17 advantaged because of the lack of adequate income,
18 resources and health insurance. The study shall be
19 conducted by a person or organization who has experi-
20 ence in health care and medical research. The meth-
21 ods for conducting the study and the amount to be
22 awarded by the commission shall be done on a competi-
23 tive bid process after the commission has made a pub-
24 lic notification of the specifications of the study
25 and the time period for its conduct. The person or
26 organization chosen to conduct this study shall work
27 with the commission in completing the report to be
28 submitted to the 112th Legislature. The Department
29 of Human Services and the Bureau of Insurance shall
30 provide research, clerical and computer assistance to
31 the commission and give unrestricted access to its
32 records, rules, policies and data, except for those
33 items which the department is legally obligated to
34 keep confidential.

35 STATEMENT OF FACT

36 Access to physician care, emergency dental ser-
37 vices, prescription drugs and related services are
38 limited or unavailable to many citizens of the State
39 whose income and resources are insufficient to meet
40 the cost of necessary care and who are categorically
41 ineligible for federally-assisted medical care ser-
42 vices. The Catastrophic Illness Program presently
43 does not provide assistance to financially eligible

1 persons until medical expenses in excess of \$7,000
2 have been incurred and then will pay only those ex-
3 penses which exceed \$7,000.

4 The result of these gaps in coverage are both
5 that many people go without necessary medical atten-
6 tion and preventative care and that medical costs
7 place increasing burdens on general assistance pro-
8 grams of the municipalities.

9 This bill would provide assistance for hospital
10 outpatient services, physicians' services, drugs, ap-
11 pliances and other related services, including lim-
12 ited nursing home care to persons whose medical ex-
13 penses exceed certain specified limits. It also cre-
14 ates a special select commission to investigate the
15 extent to which Maine citizens continue to be without
16 adequate access to necessary health care.

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