

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1015

6
7 H.P. 705

House of Representatives, March 13, 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 Speaker Martin of Eagle Lake and Senator Clark of
Cumberland.

12 STATE OF MAINE
13

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

17 AN ACT to Extend Medical Assistance to
18 Families Losing Aid to Families with Dependent
19 Children due to Employment.
20

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

23 Sec. 1. 22 MRSA §3760-A is enacted to read:

24 §3760-A. Continuation of medical assistance benefits

25 An assistance unit which ceases to receive Aid to
26 Families with Dependent Children because a member of
27 that unit was no longer eligible due to the 4 and
28 12-month time limitation to have the \$30 and 1/3 or
29 the \$30 disregard provided by that program shall con-
30 tinue to receive approved Medicaid services for a pe-
31 riod of 9 months after the last month the family ac-
32 tually received aid. An additional period of
33 Medicaid coverage of up to 6 months shall be provided
34 when the assistance unit would be eligible to receive
35 Aid to Families with Dependent Children for the addi-

1 tional period if the \$30 and 1/3 or the \$30 disregard
2 were applied to the assistance unit's earned income.

3 Sec. 2. Appropriation. The following funds are
4 appropriated from the General Fund to carry out the
5 purposes of this Act.

6 1985-86 1986-87

7 HUMAN SERVICES,
8 DEPARTMENT OF

9 Medical care - payments
10 to providers

11 All Other \$217,000 \$298,000

12 Sec. 3. Allocation. The following funds are al-
13 located from the Federal Expenditure Fund to carry
14 out the purposes of this Act.

15 1985-86 1986-87

16 HUMAN SERVICES,
17 DEPARTMENT OF

18 Medical care - payments
19 to providers

20 All Other \$506,333 \$695,333

1

STATEMENT OF FACT

2 Until recently, many Aid to Families with Depen-
3 dent Children families in which a member went to
4 work, lost their grant and shortly thereafter their
5 Medicaid benefits. This created a tremendous
6 disincentive for Aid to Families with Dependent Chil-
7 dren family members considering employment. In par-
8 ticular, the fear of losing medical coverage for
9 their children discouraged many Aid to Families with
10 Dependent Children parents from seeking employment.

11 Federal law has been amended to require the con-
12 tinuation of Medicaid benefits for 9 months for fami-
13 lies in this situation. It permits states to contin-
14 ue Medicaid coverage for 6 more months under certain
15 circumstances. This bill requires the department to
16 provide the maximum allowable Medicaid extension for
17 families losing their Aid to Families with Dependent
18 Children because a member goes to work. This creates
19 the maximum permissible employment incentive for
20 these families. Medicaid benefits are financed with
21 1/3 state funds and 2/3 federal funds.

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