

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1727

H.P. 1184

House of Representatives, April 29, 1991

Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Speaker MARTIN of Eagle Lake.

Cosponsored by Representative RYDELL of Brunswick, Senator BUSTIN of Kennebec and Senator McCORMICK of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

Resolve, to Develop a Statewide Health Insurance Program.

(EMERGENCY)



Emergency preamble. Whereas, Acts and resolves of the
2 Legislature do not become effective until 90 days after
adjournment unless enacted as emergencies; and

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6 Whereas, it is estimated that as many as 130,000 Maine
citizens lack health insurance and that over 200,000 of the
State's citizens are underinsured; and

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10 Whereas, the State's health spending per capita increased
150% from 1980 to 1990, ranking Maine 5th highest in the nation
and per capita spending is expected to increase 2.3 times by the
12 year 2000 if the current trend continues; and

14
16 Whereas, uncompensated care costs from the growing numbers
of Maine's uninsured are being shifted onto a shrinking number of
insured consumers, workers and businesses in Maine; and

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20 Whereas, a disproportionate segment of health insurance
costs and health care costs are directly attributable to
administrative inefficiency, burdening Maine businesses,
22 providers and consumers with avoidable costs; and

24
26 Whereas, the State's health care for all its citizens
scores on quality indices below societies spending less and
providing universal, comprehensive health insurance systems for
all citizens; and

28
30 Whereas, establishing a joint select committee to study
health insurance needs, to receive information and to present
legislation to develop and implement a statewide health insurance
32 program is the appropriate method to seek answers to these
problems; and

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36 Whereas, in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
38 necessary for the preservation of the public peace, health and
safety; now, therefore, be it

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42 **Sec. 1. Joint select committee. Resolved:** That the joint select
committee to develop a plan for a statewide health insurance
program is established; and be it further

44
46 **Sec. 2. Select committee membership. Resolved:** That the joint
select committee to develop a plan for a statewide health
insurance program consists of 13 Legislators, 4 members appointed
48 by the President of the Senate and 9 members appointed by the
Speaker of the House of Representatives and including, but not
50 limited to members of the joint standing committees of the
Legislature having jurisdiction over appropriations, banking and
insurance, taxation and human resources. All appointments must
52 be made no later than 30 days following the effective date of

2 this Act. The President of the Senate and the Speaker of the
4 House of Representatives shall notify the Executive Director of
6 the Legislative Council upon making their appointments. The
chairs are selected from among the committee members by the
President of the Senate and the Speaker of the House of
Representatives; and be it further

8 **Sec. 3. Duties. Resolved:** That the joint select committee
10 shall study and make recommendations on the establishment of a
12 statewide health insurance program. The committee shall study
14 the present system of health insurance, its strengths and
weaknesses, ways in which the system may be made more efficient
and how more universal coverage may be obtained. The committee
shall make recommendations on the establishment of a statewide
health insurance program that include:

16 1. Extension of coverage to every citizen of the State who
18 is otherwise unable to obtain adequate health insurance;

20 2. Continuing insurance coverage during employment changes,
22 unemployment, illnesses, travel or temporary absences and after
injury;

24 3. Cost control through public accountability and
26 negotiations with providers to achieve greater efficiency and
improve quality of care;

28 4. Those aspects of the present system of health insurance
30 that are efficient components of a comprehensive system of
coverage; and

32 5. Financing by public revenues through a progressive
34 combination of the following:

36 A. Consolidating all of the present sources of funding
38 requiring waivers or approval from federal sources such as
Medicare, Medicaid, Champus, maternal and child health block
grants and substance abuse block grants;

40 B. Consolidating state programs including Maine Health
42 Program, the Managed Care Insurance Plan Demonstration
("Robert Wood Johnson"), the High Risk Insurance Program,
44 premium tax substance abuse programs, specific disease
programs such as diabetes and heart education projects; and

46 C. Developing new public revenues that adequately replace
48 present corporate and individual spending on insurance
premiums and out-of-pocket expenses through a progressive
50 tax program that does not unfairly or disproportionately
burden any present payor or sector and that relieves those
52 payors who are unable to continue their present burden; and
be it further

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STATEMENT OF FACT

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This resolve establishes a joint select committee to develop a plan for a statewide health insurance program. The committee shall hold public hearings, report to the Legislature by February 1, 1992 and present legislation to develop and implement the program no later than July 1, 1993.

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