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.

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 Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and 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 Whereas, the State's health spending per capita increased 150% from 1980 to 1990, ranking Maine 5th highest in the nation 10 and per capita spending is expected to increase 2.3 times by the year 2000 if the current trend continues; and 12 Whereas, uncompensated care costs from the growing numbers 14 of Maine's uninsured are being shifted onto a shrinking number of 16 insured consumers, workers and businesses in Maine; and 18 Whereas, a disproportionate segment of health insurance costs and health care costs are directly attributable to 20 administrative inefficiency, burdening Maine businesses, providers and consumers with avoidable costs; and 22 Whereas, the State's health care for all its citizens scores on quality indices below societies spending less 24 providing universal, comprehensive health insurance systems for all citizens; and 26 Whereas, establishing a joint select committee to study 28 health insurance needs, to receive information and to present 30 legislation to develop and implement a statewide health insurance program is the appropriate method to seek answers to these 32 problems; and 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 36 necessary for the preservation of the public peace, health and 38 safety; now, therefore, be it Sec. 1. Joint select committee. Resolved: That the joint select 40 committee to develop a plan for a statewide health insurance program is established; and be it further 42 Sec. 2. Select committee membership. Resolved: That the joint 44 select committee to develop a plan for a statewide health insurance program consists of 13 Legislators, 4 members appointed 46 by the President of the Senate and 9 members appointed by the 48 Speaker of the House of Representatives and including, but not limited to members of the joint standing committees of the Legislature having jurisdiction over appropriations, banking and 50 insurance, taxation and human resources. All appointments must be made no later than 30 days following the effective date of 52

- this Act. The President of the Senate and the Speaker of the
 House of Representatives shall notify the Executive Director of
 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
- Sec. 3. Duties. Resolved: That the joint select committee shall study and make recommendations on the establishment of a statewide health insurance program. The committee shall study 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:

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- 1. Extension of coverage to every citizen of the State who is otherwise unable to obtain adequate health insurance;
- 2. Continuing insurance coverage during employment changes, unemployment, illnesses, travel or temporary absences and after injury;
- 3. Cost control through public accountability and negotiations with providers to achieve greater efficiency and improve quality of care;
- 4. Those aspects of the present system of health insurance that are efficient components of a comprehensive system of coverage; and
 - 5. Financing by public revenues through a progressive combination of the following:

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- A. Consolidating all of the present sources of funding requiring waivers or approval from federal sources such as Medicare, Medicaid, Champus, maternal and child health block grants and substance abuse block grants;
- B. Consolidating state programs including Maine Health Program, the Managed Care Insurance Plan Demonstration ("Robert Wood Johnson"), the High Risk Insurance Program, premium tax substance abuse programs, specific disease programs such as diabetes and heart education projects; and
 - C. Developing new public revenues that adequately replace present corporate and individual spending on insurance premiums and out-of-pocket expenses through a progressive tax program that does not unfairly or disproportionately burden any present payor or sector and that relieves those payors who are unable to continue their present burden; and be it further

2	Sec. 4. Meetings; report. Resolved: That the joint select
	committee shall hold its first meeting on July 1, 1991, shall
4	hold hearings in several regions of the State to provide for
	public testimony, shall report to the Second Regular Session of
6	the 115th Legislature no later than February 1, 1992 and shall
	submit any proposed legislation to develop and implement the
8	program no later than July 1, 1993; and be it further
10	Sec. 5. Powers. Resolved: That the select joint committee may
	receive grants and hire consultants. Staff assistance and
12	information may be provided as necessary by the Legislative
	Council. Consultation and information must be provided as
14	required by the Department of Human Services and the Department
. T.	of Professional and Financial Regulation; and be it further
16	of Floressional and Financial Regulación, and be it further
TO	Sec. 6. Reimbursement. Resolved: That members of the joint
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18	select committee are entitled to legislative per diem and
20 :	expenses for the days of attendance at committee meetings upon
20	request from the Executive Director of the Legislative Council.
	The Executive Director of the Legislative Council shall
22	administer the committee's budget; and be it further
24	Sec. 7. Appropriation. Resolved: That the following funds are
	appropriated from the General Fund to carry out the purposes of
26	this resolve.
	this resolve.
26 28	
28	this resolve.
	this resolve.
28 30	this resolve. 1991-92 LEGISLATURE
28	this resolve. 1991-92 LEGISLATURE Joint Select Committee to Develop
28 30 32	this resolve. 1991-92 LEGISLATURE Joint Select Committee to Develop a Plan for a Statewide Health
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28 30 32 34 36 38 40 42 44 46	LEGISLATURE Joint Select Committee to Develop a Plan for a Statewide Health Insurance Program Personal Services \$5,720 All Other \$8,200 Provides funding for the Joint Select Committee on Statewide Health Insurance, including per diem and expenses for members, printing and advertising costs and other meeting expenses. LEGISLATURE \$13,920

STATEMENT OF FACT

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