

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

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Legislative Document

No. 1400

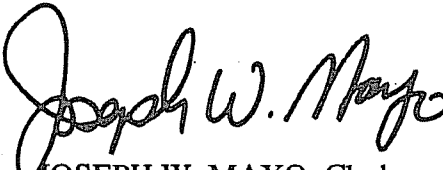
H.P. 1048

House of Representatives, May 3, 1993

**An Act to Require Agencies to Maximize Medicaid Reimbursement.**

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Reference to the Committee on Human Resources suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative PLOWMAN of Hampden.  
Cosponsored by Representatives: CAMPBELL of Holden, CASHMAN of Old Town,  
MORRISON of Bangor.

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

4 Sec. 1. 5 MRSA §1660-C is enacted to read:

6 §1660-C. Medicaid maximization

8 1. Definition. Notwithstanding section 1653, subsection 3,  
10 paragraph D, for the purposes of this section, "community agency"  
includes a health care facility within the meaning of Title 22,  
section 382, subsection 6.

12 2. Medicaid certification required. A department may not  
14 enter into an agreement with a community agency to pay from state  
funds for services that would be eligible for Medicaid coverage,  
unless the department:

16 A. Requires the community agency to obtain certification as  
18 a provider under the Medicaid program if the agency is  
eligible for Medicaid certification;

20 B. Provides technical assistance to the community agency in  
22 applying for Medicaid certification, if the community agency  
24 is not certified as a provider under the Medicaid program  
but could be with reasonable effort. A department may not  
26 pay for services provided by a community agency under this  
paragraph for more than one year unless the agency obtains  
28 Medicaid certification or is eligible under subsection 3; or

30 C. Is generating those services in the community that are  
Medicaid reimbursable or issues a request for proposals to  
provide the services.

32 3. No Medicaid alternative. If a community agency is not  
34 available that meets the criteria of subsection 2, a department  
may enter into an agreement with a community agency to pay from  
36 state funds for services that would be eligible for Medicaid  
coverage only if the department has chosen that agency following  
38 a request for proposals to provide the services.

40 **STATEMENT OF FACT**

42  
44 Currently state departments are paying up to 100% from state  
46 funds for services that could be paid for under the Medicaid  
48 program if the agency providing the services became certified as  
a Medicaid provider. This bill saves state funds by requiring  
departments paying for services to require community agencies  
that are eligible, or could reasonably become eligible, to become  
certified as Medicaid providers. It also helps ensure that these

2 services will be available to eligible citizens of the State. If  
an eligible agency is not available, the department could use up  
4 to 100% from state funds to pay for services but would be  
required to issue a request for proposals to provide services.  
6 This bill will also apply to the State when it is funding  
Medicaid-eligible services in the community.