

# MAINE STATE LEGISLATURE

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10 **STATE OF MAINE**  
**SENATE**  
12 **117TH LEGISLATURE**  
**FIRST REGULAR SESSION**

14 SENATE AMENDMENT " A " to SENATE AMENDMENT "A" to H.P. 120,  
16 L.D. 155, Bill, "An Act to Make Supplemental Appropriations and  
Allocations for the Expenditures of State Government and to  
18 Change Certain Provisions of the Law Necessary to the Proper  
Operations of State Government for the Fiscal Year Ending June  
20 30, 1995"

22 Amend the amendment by inserting at the end before the  
emergency clause the following:  
24

26 **PART I**

28 **Sec. I-1. 22 MRSA §3189, sub-§1**, as amended by PL 1993, c.  
673, §2 and affected by §10, is further amended to read:

30 **1. Program created; intent.** The Maine Health Program is  
created to expand access of Maine citizens to basic health care  
32 services. The Maine Health Program is intended to meet, to the  
extent of available funds, the health care needs of uninsured  
34 Maine residents with the highest priority being those needs of  
residents who are financially needy and under the age of 18.  
36 After ~~April~~ July 1, 1995, the Maine Health Program is a privately  
administered and funded program that may be governed by state law  
38 but there is no right or claim of entitlement to health care  
benefits under state law created by operation of the program.  
40

42 **Sec. I-2. 22 MRSA §3189, sub-§5-A, ¶G**, as enacted by PL 1993,  
c. 673, §4 and affected by §10, is amended to read:

44 G. The Department of Human Services shall issue a request  
for proposals to managed care providers including but not  
46 limited to health maintenance organizations, hospital

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2 networks and primary care management organizations to  
contract on a capitated basis for health care services to  
4 current enrollees of the Maine Health Program. The  
department shall negotiate a contract or contracts by June  
6 30, 1994 or as soon as possible after June 30, 1994.

8 The contract or contracts must cover all or part of the  
period July 1, 1994 to ~~March 31~~ June 30, 1995 and additional  
10 persons may not be enrolled during this period. The  
department shall transfer all enrollees to managed care  
12 providers by September 30, 1994, or as soon as possible  
after September 30, 1994.

14 The department shall seek approval from the federal Health  
Care Financing Administration for any and all modifications  
16 to the adult demonstration project required to carry out  
this directive. The request for proposals must specify the  
18 types and amounts of services to be provided and require an  
intensive ongoing quality assurance mechanism. If managed  
20 care plans are not available in certain areas of the State,  
enrollees remain in the program administered by the Bureau  
22 of Medical Services until managed care becomes available.

24 If a contract or contracts can not be negotiated in  
accordance with the conditions in this paragraph at or below  
26 the department's current estimate of per member, per month  
costs for fiscal year 1994-95, the Maine Health Program  
28 terminates.

30 **Sec. I-3. 22 MRSA §3189, sub-§8-C**, as amended by PL 1993, c.  
673, §5 and affected by §10, is further amended to read:

32 **8-C. Legislative intent.** It is the intent of the  
34 Legislature that the appropriation for the Maine Health Program  
end on ~~April 1~~ June 30, 1995.

36 **Sec. I-4. 22 MRSA §3189, sub-§13** is enacted to read:

38 13. Fund balances. Any balance remaining on June 30, 1995  
40 in the Maine Health Program may not lapse but must be carried  
forward to June 30, 1996 in order to pay expenses remaining from  
42 state fiscal year 1994-95. Any balance remaining on June 30,  
1996 lapses to the General Fund.

44 **Sec. I-5. 22 MRSA §3189-A, sub-§2, ¶¶C and E**, as amended by PL  
46 1993, c. 673, §6 and affected by §10, are further amended to read:

48 C. The advisory board shall solicit proposals from private  
entities to administer the Maine Health Program after ~~March~~

# SENATE AMENDMENT

2 of 8

SENATE AMENDMENT "A" to SENATE AMENDMENT "A" to H.P. 120, L.D. 155

2 31 June 30, 1995. The advisory board shall plan for the transition of program management from the Department of Human Services to a private contractor between August 1, 4 1994 and ~~March~~ 31 June 30, 1995. The advisory board has full authority to effect the transition to the private 6 entity, which shall commence administration of the Maine Health Program on ~~April~~ July 1, 1995.

8 E. The advisory board shall draft any legislation it determines necessary to govern the Maine Health Program as it will operate after ~~April~~ July 1, 1995 and present it for 10 consideration by the Legislature as soon as practical. 12

14 **Sec. I-6. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Act.

16 1994-95  
18 **HUMAN SERVICES, DEPARTMENT OF**

20 **Maine Health Program**

22 All Other \$392,526

24 Provides for the appropriation of funds to 26 continue the Maine Health Program through June 30, 1995. Any unexpended balance may 28 not lapse but may carry forward in accordance with the Maine Revised Statutes, 30 Title 22, section 3189, subsection 13.

32 **Sec. I-7. Transfer from Rainy Day Fund.** Notwithstanding any other provision of law, the State Controller is authorized to 34 transfer \$192,526 from the Rainy Day Fund to the General Fund undedicated revenue no later than March 1, 1995.'

36 Further amend the amendment by relettering or renumbering 38 any nonconsecutive Part letter or section number to read consecutively.

42 **FISCAL NOTE**

44 1994-95  
46 **APPROPRIATIONS/ALLOCATIONS**

48 General Fund \$392,526

**REVENUES**

General Fund \$192,526

This amendment will increase the General Fund cost of the bill by \$392,526 in fiscal year 1994-95. A \$192,526 transfer from the Rainy Day Fund to General Fund undedicated revenue is authorized in fiscal year 1994-95. There is a projected unappropriated surplus balance of over \$220,000 so that a balanced General Fund budget is maintained.

**STATEMENT OF FACT**

This amendment delays the termination of the Maine Health Program from April 1, 1995 to June 30, 1995 and provides a General Fund appropriation to support the additional costs. Funding for the General Fund appropriation is provided by transferring available funds from the Rainy Day Fund in fiscal year 1994-95 and from a projected unappropriated surplus balance.

SPONSORED BY: Mark Lawrence  
(Senator LAWRENCE)

COUNTY: York