

MAINE STATE LEGISLATURE

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m
R.D.

L.D. 1812

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DATE: March 30, 1996

(Filing No. S- 556)

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HUMAN RESOURCES

Reported by: Senator PENDEXTER of Cumberland for the Committee.

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Reproduced and distributed under the direction of the Secretary
of the Senate.

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**STATE OF MAINE
SENATE
117TH LEGISLATURE
SECOND REGULAR SESSION**

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COMMITTEE AMENDMENT " A " to S.P. 712, L.D. 1812, Bill, "An
Act to Extend Health Care Coverage for Parents Leaving the Aid to
Families with Dependent Children Program"

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Amend the bill by striking out all of section 1 and
inserting in its place the following:

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'Sec. 1. 22 MRSA §3741-G, as repealed and replaced by PL
1995, c. 418, Pt. A, §10, is amended to read:

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§3741-G. Transitional medical assistance

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The department shall administer a program to provide
transitional eligibility for medical assistance to families whose
average gross monthly earnings, minus such costs for child care
as is necessary for employment, do not exceed 185% of the federal
poverty guidelines in accordance with the Family Support Act and
this section.

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1. **Earnings; hours worked; loss of disregards.** In order to
receive transitional Medicaid as the result of increased
earnings, number of hours worked or the loss of disregards, a
family must have received AFDC for at least 3 of the last 6
months.

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2. **Work search.** The department shall apply for a waiver
from the federal Department of Health and Human Services to

COMMITTEE AMENDMENT

2 provide transitional Medicaid benefits for families whose
4 eligibility for AFDC has terminated due to employment obtained
6 through work search activities pursuant to this chapter, in which
8 case the family must have received AFDC for at least one of the
10 last 3 months.

12 **3. Periodic reporting.** The department shall require
14 reporting of income or circumstances ~~in the 5th and 11th months~~
16 ~~of receipt of extended medical assistance~~ for the purpose of
18 determining eligibility and premium payments for benefits under
20 this section in accordance with rules adopted by the department.
22 Rules adopted pursuant to this subsection are routine technical
24 rules as defined by Title 5, chapter 375, subchapter II-A.

26 **4. Premiums; copayments; deductibles.** To continue to
28 receive extended medical assistance following the first 6 months
30 of coverage, a family entering the transitional medical
32 assistance program prior to February 1, 1997, with income above
34 133% of the federal poverty guidelines must pay premiums for the
36 7th to 9th months at \$10 per month and for the 10th to 12th
38 months at \$20 per month in accordance with rules adopted by the
40 department. Rules adopted pursuant to this subsection are
42 routine technical rules as defined by Title 5, chapter 375,
44 subchapter II-A. A family entering the transitional medical
46 assistance program on or after February 1, 1997 whose family's
48 average gross monthly earnings, less the average monthly costs
for such child care as is necessary for employment, is above 100%
of the federal poverty guidelines, shall pay, beginning in their
7th month of receiving transitional medical assistance, monthly
premiums equal to 3% of their average gross monthly earnings,
less the average monthly costs for such child care as is
necessary for employment.

34 **5. Scope of services.** The scope of services provided under
36 this section must be the same as the scope of services provided
38 when a family received AFDC.

40 **6. Extended benefits.** The department shall extend the
42 transitional medical assistance program to families who meet the
44 requirements of the program and who enter the transitional
46 medical assistance program on or after February 1, 1997 for 2
years beyond the families' initial one-year period of
eligibility. In administering the extended benefits under this
subsection, the department shall require the reporting of income
or circumstances and the payment of premiums according to
subsections 3 and 4.'

48 Further amend the bill by inserting at the end before the
statement of fact the following:

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FISCAL NOTE

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The Department of Human Services will incur future General Fund and Federal Expenditure Fund costs in the Medical Care - Payments to Providers program beginning in fiscal year 1997-98 if the waiver to extend transitional medical assistance is approved. These future costs will be partially offset by premiums paid by certain participants and may be further offset by savings in the Aid to Families with Dependent Children program. The net impact on the General Fund can not be determined at this time and is contingent on federal approval.'

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STATEMENT OF FACT

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This amendment replaces section 1 of the bill. It establishes a 2-year extension of the transitional medical assistance program under Medicaid beginning February 1, 1997. It requires the payment of premiums equal to 3% of a family's income, minus child care costs, beginning in the 7th month of transitional assistance for those entering the transitional medical assistance program on or after February 1, 1997 whose average gross monthly earnings less average monthly child care costs are more than 100% of the federal poverty guidelines. The amendment clarifies current law establishing eligibility for the program at 185% of the federal poverty guidelines. It gives the department rule-making authority with respect to premiums paid by those entering the transitional medical assistance program prior to February 1, 1997 and gives the department rule-making authority to change the reporting requirements of the program. It requires the department to seek a waiver from the federal Department of Health and Human Services if necessary to achieve the purposes of the amendment.

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This amendment also adds a fiscal note to the bill.