

MAINE STATE LEGISLATURE

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HEALTH AND HUMAN SERVICES

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STATE OF MAINE HOUSE OF REPRESENTATIVES 119TH LEGISLATURE FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1078, L.D. 1525, Bill, "An Act to Improve Medical Support for Children"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

Sec. 1. 19-A MRSA §2106, sub-§6 is enacted to read:

6. Custodial parent's choice. If a child is enrolled under this section, the employer shall accept the custodial parent's choice of a primary care provider for that child even if the custodial parent is not the insurance policyholder, certificate holder, owner or subscriber. If the parents have equal or joint custody of the child enrolled under this section, the parent who is the covered employee shall choose the child's primary care provider.

Sec. 2. 24 MRSA §2318, sub-§§6 and 7 are enacted to read:

6. Compliance. All individual and group nonprofit hospital and medical service organization contracts must comply with 42 United States Code, Section 1396g-1. If a parent is required by a court or administrative order to provide health coverage for a child and the parent is eligible for family health coverage through an insurer, the nonprofit hospital and medical service organization shall permit either of the child's parents or the Department of Human Services to enroll the child under the family coverage without regard to any enrollment season restrictions if the child is otherwise eligible for the coverage. A nonprofit hospital and medical service organization shall provide policy

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1 information to the custodial parent of any dependent child so
2 that the custodial parent can obtain benefits for the child
3 directly from the nonprofit hospital and medical service
4 organization. A nonprofit hospital and medical service
5 organization shall permit the custodial parent of any dependent
6 child to submit claims for covered services without the approval
7 of the noncustodial parent. If the custodial parent approves, a
8 nonprofit hospital and medical service organization shall permit
9 the provider to submit claims for covered services without the
10 approval of the noncustodial parent. A nonprofit hospital and
11 medical service organization shall make payment on claims
12 submitted under this section directly to the custodial parent or,
13 if the custodial parent approves, to the provider.

14
15 If a parent is required by court or administrative order to
16 provide health coverage for a child and if the child is a
17 Medicaid recipient, a nonprofit hospital and medical service
18 organization shall permit either the custodial parent or the
19 Department of Human Services to request and receive prior
20 authorization for medical services when prior authorization is
21 required to maximize the type and scope of benefits available to
22 the child.

23
24 7. Custodial parent's choice. If a child is enrolled under
25 the provisions of Title 19-A, section 2106, a nonprofit hospital
26 and medical service organization shall accept the choice of a
27 primary care provider for that child made by the parent with
28 parental rights and responsibilities for health care decisions
29 under Title 19-A even if the parent is not the contract holder or
30 subscriber. If neither parent is designated to make health care
31 decisions for a child enrolled under Title 19-A, section 2106,
32 the parent who is the covered employee shall choose the child's
33 primary care provider.

34
35 **Sec. 3. 24-A MRSA §2742, sub-§5, as amended by PL 1997, c.**
36 **795, §8, is further amended to read:**

37
38 **5. Compliance.** An insurer issuing policies under this
39 chapter must comply with 42 United States Code, Section 1396g-1.
40 If a parent is required by a court or administrative order to
41 provide health coverage for a child and the parent is eligible
42 for family health coverage through an insurer, the insurer shall
43 permit either of the child's parents or the Department of Human
44 Services to enroll the child under the family coverage without
45 regard to any enrollment season restrictions if the child is
46 otherwise eligible for the coverage. An insurer must provide
47 policy information to the custodial parent of any dependent child
48 so that the custodial parent can obtain benefits for the child
49 directly from the insurer. An insurer must permit the custodial
50 parent of any dependent child to submit claims for covered

services without the approval of the noncustodial parent. If the
custodial parent approves, an insurer must permit the provider to
submit claims for covered services without the approval of the
noncustodial parent. An insurer shall make payment on claims
submitted under this section directly to the custodial parent or,
if the custodial parent approves, to the provider.

If a parent is required by court or administrative order to
provide health coverage for a child and if the child is a
Medicaid recipient, an insurer shall permit either the custodial
parent or the Department of Human Services to request and receive
prior authorization for medical services when prior authorization
is required to maximize the type and scope of benefits available
to the child.

Sec. 4. 24-A MRSA §2742, sub-§7 is enacted to read:

7. Custodial parent's choice. If a child is enrolled under
the provisions of Title 19-A, section 2106, the insurer shall
accept the choice of a primary care provider for that child made
by the parent with parental rights and responsibilities for
health care decisions under Title 19-A even if the parent is not
the policyholder. If neither parent is designated to make health
care decisions for a child enrolled under Title 19-A, section
2106, the parent who is the covered employee shall choose the
child's primary care provider.

Sec. 5. 24-A MRSA §2833, sub-§§5 and 6 are enacted to read:

5. Compliance. A group or blanket health insurance plan
issued under this chapter must comply with 42 United States Code,
Section 1396g-1. If a parent is required by a court or
administrative order to provide health coverage for a child and
the parent is eligible for family health coverage through an
insurer, the plan must permit either of the child's parents or
the Department of Human Services to enroll the child under the
family coverage without regard to any enrollment season
restrictions if the child is otherwise eligible for the
coverage. An insurer shall provide policy information to the
custodial parent of any dependent child so that the custodial
parent can obtain benefits for the child directly from the
insurer. An insurer shall permit the custodial parent of any
dependent child to submit claims for covered services without the
approval of the noncustodial parent. If the custodial parent
approves, an insurer shall permit the provider to submit claims
for covered services without the approval of the noncustodial
parent. An insurer shall make payment on claims submitted under
this section directly to the custodial parent or, if the
custodial parent approves, to the provider.

200

2 If a parent is required by court or administrative order to
4 provide health coverage for a child and if the child is a
6 Medicaid recipient, an insurer shall permit either the custodial
8 parent or the Department of Human Services to request and receive
prior authorization for medical services when prior authorization
is required to maximize the type and scope of benefits available
to the child.

10 6. Custodial parent's choice. If a child is enrolled under
12 the provisions of Title 19-A, section 2106, the insurer shall
14 accept the choice of a primary care provider for that child made
16 by the parent with parental rights and responsibilities for
18 health care decisions under Title 19-A even if the parent is not
the certificate holder. If neither parent is designated to make
health care decisions for a child enrolled under Title 19-A,
section 2106, the parent who is the covered employee shall choose
the child's primary care provider.

20 **Sec. 6. 24-A MRSA §4234, sub-§§6 and 7 are enacted to read:**

22 6. Compliance. All individual or group coverage subject to
24 this chapter shall comply with 42 United States Code, Section
26 1396g-1. If a parent is required by a court or administrative
28 order to provide health coverage for a child and the parent is
30 eligible for family health coverage under an individual or group
32 health care contract, the health maintenance organization shall
34 permit either of the child's parents or the Department of Human
36 Services to enroll the child under the family coverage without
38 regard to any enrollment season restrictions if the child is
40 otherwise eligible for the coverage. A health maintenance
42 organization shall provide contract information to the custodial
44 parent of any dependent child so that the custodial parent can
obtain benefits for the child directly from the health
maintenance organization. A health maintenance organization
shall permit the custodial parent of any dependent child to
submit claims for covered services without the approval of the
noncustodial parent. If the custodial parent approves, a health
maintenance organization shall permit the provider to submit
claims for covered services without the approval of the
noncustodial parent. A health maintenance organization shall
make payment on claims submitted under this section directly to
the custodial parent or, if the custodial parent approves, to the
provider.

46 If a parent is required by court or administrative order to
48 provide health coverage for a child and if the child is a
50 Medicaid recipient, a health maintenance organization shall
52 permit either the custodial parent or the Department of Human
Services to request and receive prior authorization for medical
services when prior authorization is required to maximize the
type and scope of benefits available to the child.

2 7. Custodial parent's choice. If a child is enrolled under
4 the provisions of Title 19-A, section 2106, a health maintenance
6 organization shall accept the choice of a primary care provider
8 for that child made by the parent with parental rights and
10 responsibilities for health care decisions under Title 19-A even
if the parent is not the contract holder. If neither parent is
designated to make health care decisions for a child enrolled
under Title 19-A, section 2106, the parent who is the covered
employee shall choose the child's primary care provider.

12 **Sec. 7. 39-A MRSA §106**, as amended by PL 1995, c. 694, Pt. D,
14 §63 and affected by Pt. E, §2, is further amended to read:

16 **§106. Invalidity of waiver of rights; claims not**
18 **assignable**

18 No An agreement by an employee, unless approved by the board
20 or by the Commissioner of Labor, to waive the employee's rights
22 to compensation under this Act is not valid. No-claims Claims
24 for compensation under this Act are not assignable or subject to
26 attachment or liable in any way for debt, except for the
enforcement of a current support obligation or support arrears
pursuant to Title 19-A, chapter 65, subchapter II, article 3 or
Title 19-A, chapter 65, subchapter III, or for reimbursement of
general assistance pursuant to Title 22, section 4318 or for
reimbursement of Medicaid pursuant to Title 22, section 14 or 18.

28 **Sec. 8. Expenditures in excess of allocations.** Expenditures that
30 result from additional health insurance costs required by this
32 Act of funds other than the General Fund and the Highway Fund are
34 authorized to exceed legislative allocations during the biennium
36 ending June 30, 2001. Appropriate adjustments to basic work
programs facilitating these expenditures in excess of allocations
must be recommended by the State Budget Officer and approved by
the Governor.

38 **Sec. 9. Appropriation.** The following funds are appropriated
40 from the General Fund to carry out the purposes of this Act.

	1999-00	2000-01
42 ADMINISTRATIVE AND FINANCIAL		
44 SERVICES, DEPARTMENT OF		
46 Salary Plan		
48 Personal Services	\$30,537	\$40,716

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2 Provides funds in the event
4 that costs exceed the amounts
6 available as a result of the
8 additional health insurance
10 costs associated with an
12 increase in the number of
14 persons eligible for the
16 State's health insurance
18 program.

16 **Sec. 10. Allocation.** The following funds are allocated from
18 the Highway Fund to carry out the purposes of this Act.

14	1999-00	2000-01
16 ADMINISTRATIVE AND FINANCIAL		
18 SERVICES, DEPARTMENT OF		
20 Salary Plan		
22 Personal Services	\$13,689	\$18,252

24 Provides funds in the event
26 that costs exceed the amounts
28 available as a result of the
30 additional health insurance
32 costs associated with an
increase in the number of
persons eligible for the
State's health insurance
program.'

34 Further amend the bill by inserting at the end before the
summary the following:

36 FISCAL NOTE		
38	1999-00	2000-01
40 APPROPRIATIONS/ALLOCATIONS		
42 General Fund	\$30,537	\$40,716
44 Highway Fund	13,689	18,252

46 This bill will increase costs to the state employee health
48 insurance plan by a total cost of \$70,200 in fiscal year 1999-00
and \$93,600 in fiscal year 2000-01. These costs result from an
50 increase in the number of dependent children covered under the
State's health insurance program. This bill includes additional

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2 General Fund appropriations of \$30,537 and \$40,716 in fiscal
4 years 1999-00 and 2000-01, respectively, to set aside amounts in
6 the salary plan to provide funding for the estimated General Fund
8 share of these additional costs. Similarly, Highway Fund
allocations of \$13,689 and \$18,252, respectively, are included
for the Highway Fund's estimated share. An authorization is
included to increase allotments for the costs of this bill that
will be incurred by other funds.

10 This bill may also affect the experience rating of the state
12 employee health insurance plan by limiting the plan's ability to
14 impose pre-existing condition criteria on any dependent whose
16 coverage is shifted from Medicaid to the State's plan and may
result in additional costs above the amounts associated with the
increase in the number of dependent children covered. The amount
of the additional costs can not be estimated at this time.

18 The Department of Human Services will realize savings from
20 enhancing the federal mandate that Medicaid be the payer of last
22 resort. The amount of the savings can not be estimated at this
time.'

24 SUMMARY

26 This amendment replaces the bill. It clarifies that the
28 provisions of the bill apply to individual and group health
insurance, health maintenance organization health coverage and
30 nonprofit hospital and medical service organization contracts.
It also adds an appropriation section, an allocation section and
a fiscal note to the bill.