

# MAINE STATE LEGISLATURE

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*MWS*

L.D. 2242

DATE: *6-1-99*

(Filing No. H-*716*)

*MINORITY*  
**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. 1597, L.D. 2242, Bill, "An Act to Protect Medicaid Recipients and Providers from Unintended Consequences of the Noncompliance of the Department of Human Services with Year 2000 Readiness"

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

**Sec. 1. Authorization.** Notwithstanding any other provision of law, the Department of Human Services is authorized to transfer appropriated and allocated funds between budget lines and between programs in order to contract and pay for services to prepare the department's computer and claims processing systems to perform their functions with regard to the processing and payment of Medicaid claims on and after January 1, 2000.

**Sec. 2. Prospective payment system.** If the computer system of the Department of Human Services is unable to perform its functions adequately to pay Medicaid claims on and after January 1, 2000, the Department of Human Services is required to immediately institute a prospective payment system for the Medicaid program. The prospective payment system must pay providers of services based on recent claims experience. The prospective payment system must remain in effect until the computer system is able to process and pay Medicaid claims on a timely basis.

**Sec. 3. Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Act.

**COMMITTEE AMENDMENT**

1999-00

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**HUMAN SERVICES, DEPARTMENT OF  
Office of Management and Budget**

All Other \$250,000

Provides funds to contract for professional services to ensure that the department's computer system will process and pay Medicaid claims on or after January 1, 2000.'

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

**FISCAL NOTE**

1999-00 2000-01

**APPROPRIATIONS/ALLOCATIONS**

General Fund \$250,000

This bill includes a General Fund appropriation of \$250,000 in fiscal year 1999-00 for the Department of Human Services to contract for professional services to ensure that the department's computer system will process and pay Medicaid claims on and after January 1, 2000.

The bill also authorizes the transfer of appropriated and allocated funds among budget lines to contract for services to prepare the department computers and claims processing systems to process and pay Medicaid claims on and after January 1, 2000. It also authorizes the department to institute a prospective payment system for the Medicaid program if the department is unable to adequately pay Medicaid claims on and after January 1, 2000. The impact of the transfer authorization and the prospective payment system cannot be determined at this time.'

**SUMMARY**

This amendment is the minority report of the Joint Standing Committee on Health and Human Services. It amends the bill, which is a concept draft. The amendment authorizes the Department of Human Services to transfer funds in order to process and pay Medicaid claims on or after January 1, 2000,

COMMITTEE AMENDMENT "A" to H.P. 1597, L.D. 2242

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2 requires the institution of a prospective payment system in the  
event of nonperformance of the computer system and appropriates  
\$250,000 for consultant fees to prepare the computer system to  
4 perform its functions with regard to the Medicaid program. It  
adds an appropriation and a fiscal note.