

# MAINE STATE LEGISLATURE

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

HOUSE AMENDMENT "Q" to COMMITTEE AMENDMENT "A" to H.P. 1790, L.D. 2510, Bill, "An Act to Make Supplemental Appropriations and Allocations for the Expenditures of State Government and to Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2000 and June 30, 2001"

Amend the amendment by inserting after Part DDDD the following:

PART EEEE

Sec. EEEE-1. Development of Maine Small Employer Health Insurance Program. The Department of Professional and Financial Regulation, Bureau of Insurance; the Department of Labor; and the Department of Economic and Community Development, referred to in this section as "the departments," shall jointly develop a proposal to establish, effective June 30, 2001, the Maine Small Employer Health Insurance Program, referred to in this section as "the program," to be made available to employers in the State, in accordance with this section.

1. Under the proposal developed by the departments:

A. Employers participating in the program shall pay 1/2 of the cost of the health insurance for their employees, and the program shall pay the remainder;

B. The program must be made available to employers that employ more than 5 and fewer than 26 employees and that can not otherwise provide health insurance coverage to their employees;

HOUSE AMENDMENT

R. of S.

HOUSE AMENDMENT "Q" to COMMITTEE AMENDMENT "A" to H.P. 1790,  
L.D. 2510

2 C. The Bureau of Insurance shall coordinate the  
implementation of the program; and

4 D. A portion of the ongoing funding for the program must be  
provided by funds from the tobacco settlement.

6  
8 2. The Bureau of Insurance shall facilitate the development  
of a purchasing alliance of employers.

10 3. The proposal must set forth specific criteria necessary  
for employers to participate in the program, establish a  
12 monitoring system to ensure that the funds from the program are  
used in accordance with the program requirements and propose  
14 additional sources of ongoing funding for the program.

16 4. In developing the proposal, the departments shall invite  
the participation of interested groups, including, but not  
18 limited to, representatives of the business community, the  
medical profession, the insurance industry and consumer groups.  
20 The departments shall hold 5 public meetings in geographically  
diverse areas of the State.

22 5. By March 1, 2001, the departments shall report back to  
24 the joint standing committees of the Legislature having  
jurisdiction over banking and insurance matters and business and  
26 economic development matters with their proposal to establish the  
Maine Small Employer Health Insurance Program, including any  
28 necessary implementing legislation. The joint standing  
committees may report out to the First Regular Session of the  
30 120th Legislature a bill based on those recommendations.

32 **Sec. EEEE-2. Appropriation.** The following funds are  
appropriated from the General Fund to carry out the purposes of  
34 this Part.

36 **2000-01**

38 **EDUCATION, DEPARTMENT OF**

40 **Maine Learning Technology Endowment**

42 All Other (\$20,000,000)

44 Provides for the deappropriation of a  
portion of the funds to the Maine Learning  
46 Technology Endowment provided in Part A,  
section 1.

48 **DEPARTMENT OF EDUCATION**

50 **TOTAL**

(\$20,000,000)

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**ADMINISTRATIVE AND FINANCIAL SERVICES,  
DEPARTMENT OF**

**Maine Small Employer Health  
Insurance Program**

All Other \$20,000,000

Provide funds for the new health insurance program for small employers to be able to obtain health insurance for their employees. Any balance remaining at the end of each fiscal year may not lapse but must be carried forward to be used for the same purpose.

**DEPARTMENT OF ADMINISTRATIVE AND  
FINANCIAL SERVICES  
TOTAL**

\$20,000,000

**SECTION TOTAL**

\$0'

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

**FISCAL NOTE**

This amendment will have no net effect on General Fund appropriations and revenue and a balanced budget is maintained for fiscal year 1999-00 and fiscal year 2000-01.

This amendment reduces the General Fund appropriation to the Maine Learning Technology Endowment within the Department of Education by \$20,000,000 in fiscal year 2000-01.

This amendment also establishes the Maine Small Employer Health Insurance program within the Department of Administrative and Financial Services and provides a General Fund appropriation of \$20,000,000 in fiscal year 2000-01 for employers with more than 5 and fewer than 26 employees to be able to obtain health insurance for their employees. This amendment requires that on-going funding for the Maine Small Employer Health Insurance program be provided by funds from the Fund for a Healthy Maine. The amount can not be determined at this time.

R. 6.

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L.D. 2510

2           The Bureau of Insurance within the Department of  
Professional and Financial Regulation will incur additional costs  
4 to coordinate the implementation of the Maine Small Employer  
Health Insurance program. These costs can be absorbed within the  
6 bureau's existing budgeted resources.

8           The additional costs associated with developing a proposal  
to establish the Maine Small Employer Health Insurance program  
10 can be absorbed by the Department of Labor and the Department of  
Economic and Community Development utilizing existing budgeted  
12 resources.

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### SUMMARY

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20           This amendment deappropriates \$20,000,000 from the Maine  
Learning Technology Endowment and instead uses those funds to  
22 establish the Maine Small Employer Health Insurance Program.  
Under the program, which takes effect June 30, 2001, employers  
24 with more than 5 and fewer than 26 employees will be able to  
obtain health insurance for their employees through the program.  
The employers will pay 1/2 of the cost of the employee health  
26 insurance and the program will pay the remaining cost.

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SPONSORED BY:   
(Representative MATTHEWS)

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TOWN: Winslow

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