

# MAINE STATE LEGISLATURE

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R.O.S.

DATE: 3-27-00

(Filing No. H-942)

APPROPRIATIONS AND FINANCIAL AFFAIRS

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

COMMITTEE AMENDMENT "B" to H.P. 1818, L.D. 2552, Bill, "An Act to Allocate from the Fund for a Healthy Maine"

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

**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** the 90-day period may not terminate until after the beginning of the next fiscal year; and

**Whereas,** certain obligations and expenses incident to the operation of state departments and institutions will become due and payable immediately after July 1, 2000; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

**Be it enacted by the People of the State of Maine as follows:**

**PART A**

**Sec. A-1.** 22 MRSA §1511, sub-§3, ¶D is enacted to read:

D. In any fiscal year in which revenue deposited into the fund is less than estimated by the Treasurer of State for

**COMMITTEE AMENDMENT**

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COMMITTEE AMENDMENT "B" to H.P. 1818, L.D. 2552

2 that fiscal year, programs and services supported by the  
3 fund must be reduced accordingly in proportion to their  
4 share of the overall fund, except for the Medical Care -  
5 Payments to Providers program. The allotment of available  
6 funds must be implemented by financial order contingent upon  
7 the recommendation of the State Budget Officer and approval  
8 of the Governor and upon review by the joint standing  
9 committee of the Legislature having jurisdiction over  
10 appropriations and financial affairs.

11 **Sec. A-2. PL 1999, c. 401, Pt. V, §4** is amended to read:

12 **Sec. V-4. Working capital advance.** The State Controller is  
13 authorized to advance to the Bureau of Health Other Special  
14 Revenue Fund Account in the Department of Human Services  
15 \$3,500,000 from the General Fund unappropriated surplus on July  
16 1, 1999 to be allotted by financial order upon the recommendation  
17 of the State Budget Officer and approval of the Governor for the  
18 purpose of continuing the tobacco prevention and control  
19 initiative, ~~which must be returned to the General Fund from the~~  
20 ~~Fund for a Healthy Maine no later than June 30, 2000.~~

21 **Sec. A-3. Allocation.** The following funds are allocated from  
22 Other Special Revenue funds to carry out the purposes of this Act.

23  
24  
25  
26 **1999-00** **2000-01**  
27  
28 **ADMINISTRATIVE AND FINANCIAL**  
29 **SERVICES, DEPARTMENT OF**

30 **Trust Fund for a Healthy**  
31 **Maine**

32			
33			
34	All Other	\$6,308,981	\$4,785,867
35			
36	Provides for the allocation		
37	of funds from the Fund for a		
38	Healthy Maine to the Trust		
39	Fund for a Healthy Maine in		
40	accordance with the		
41	provisions of the Maine		
42	Revised Statutes, Title 22,		
43	section 1511, subsection 3,		
44	paragraph A and section 1512,		
45	subsection 2, paragraph A.		

46			
47	<b>DEPARTMENT OF ADMINISTRATIVE AND</b>		
48	<b>FINANCIAL SERVICES</b>		
	<b>TOTAL</b>	<u>\$6,308,981</u>	<u>\$4,785,867</u>

**COMMITTEE AMENDMENT**

2 **HUMAN SERVICES,**  
4 **DEPARTMENT OF**

6 **Health - Bureau of**

8 All Other \$9,000,000

10 Provides for the allocation  
12 of funds from the Fund for a  
14 Healthy Maine for the  
16 statewide components of  
18 programs of the Partnership  
20 for a Tobacco-free Maine  
22 focusing statewide media  
24 campaigns and statewide  
support for community and  
school tobacco-related  
initiatives, creating a  
system of support for those  
throughout the State who wish  
to quit smoking and the  
evaluation of tobacco-related  
state programs.

26 **Medical Care - Payments to**  
28 **Providers**

30 All Other \$4,000,000

32 Provides for the allocation  
34 of funds from the Fund for a  
36 Healthy Maine to create  
38 standardized medical services  
40 related to tobacco prevention  
42 and smoking cessation, expand  
44 the number of tobacco users  
46 utilizing smoking-cessation  
pharmaceutical products and  
implement an intensive  
hospital outpatient-based  
chronic disease management  
program for tobacco-related  
diseases, beginning with  
cardiovascular diseases and  
congestive heart failure.  
The existing incentive  
program will be leveraged to  
promote the objectives of the  
program and measure its

COMMITTEE AMENDMENT "b" to H.P. 1818, L.D. 2552

outcomes. All of the  
\$4,000,000 allocated is for  
direct patient care services.

**Medical Care - Payments to Providers**

All Other \$18,000,000

Provides for the allocation  
of funds from the Fund for a  
Healthy Maine to cover an  
anticipated Medicaid  
shortfall.

**DEPARTMENT OF HUMAN SERVICES  
TOTAL**

\$31,000,000

**MENTAL HEALTH, MENTAL RETARDATION  
AND SUBSTANCE ABUSE SERVICES,  
DEPARTMENT OF**

**Office of Substance Abuse**

Positions - Legislative Count (1,000)  
Personal Services \$48,712  
All Other 2,951,288

Provides for the allocation  
of funds from the Fund for a  
Healthy Maine to implement  
the recommendations of the  
Substance Abuse Services  
Commission established in the  
Maine Revised Statutes, Title  
5, section 12004-G,  
subsection 13-C, and  
establish one Substance Abuse  
Program Specialist position.  
These funds must be used to  
provide additional statewide  
substance abuse prevention,  
intervention and treatment  
services.

**DEPARTMENT OF MENTAL HEALTH,  
MENTAL RETARDATION AND SUBSTANCE  
ABUSE SERVICES  
TOTAL**

\$3,000,000

SECTION TOTAL \$6,308,981 \$38,785,867

2  
4  
6  
8

Sec. A-4. Allocation. The following funds are allocated from the Federal Expenditures Fund to carry out the purposes of this Act.

2000-01

HUMAN SERVICES,  
DEPARTMENT OF

10  
12

Medical Care - Payments to Providers

14

All Other \$42,000,000

16  
18

Provides for the allocation of federal matching funds to cover an anticipated Medicaid shortfall.

PART B

20

Sec. B-1. 22 MRSA c. 408-A is enacted to read:

22

CHAPTER 408-A

24

SCHOOL NURSE CONSULTANT

26

§1971. School nurse consultant position

28

30

1. Establishment. The position of school nurse consultant is established jointly within the department and the Department of Education. The Director of the Bureau of Health within the department and the Director of Special Projects and External Affairs within the Department of Education shall jointly supervise the school nurse consultant.

32

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38

2. Qualifications. The school nurse consultant must be licensed as a registered professional nurse in the State and have a master's degree in nursing or a related field and experience in school health care or community nursing.

40

§1972. Duties

42

44

The school nurse consultant shall provide statewide nursing leadership, consultation and direction for coordinated school health care programs. The school nurse consultant shall:

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48

1. Liaison. Serve as a liaison and resource expert in school nursing and school health care program areas for local,

regional, state and national school health care provider and policy-setting groups;

2. Information. Monitor, interpret, synthesize and disseminate relevant information related to school health care trends, school nursing practice, health-related policy changes, legal issues in school nursing and school health care program implementation and professional development;

3. Staff development. Foster and promote staff development for school nurses by planning and providing orientation, educational offerings and networking with universities and other providers of continuing education to meet identified needs; and

4. Standards. Gather and analyze data relevant to the school health care program and monitor standards to promote school nursing excellence and optimal health of school children.

**Sec. B-2. Allocation.** The following funds are allocated from Other Special Revenue funds to carry out the purposes of this Part.

**2000-01**

**EDUCATION, DEPARTMENT OF**

**Learning Systems**

Positions - Legislative Count	(1.000)
Personal Services	\$46,468
All Other	9,635

Provides funds from the Fund for a Healthy Maine for the salary, benefits, operating and start-up costs of an Education Specialist III position to function as a school nurse consultant.

**DEPARTMENT OF EDUCATION  
TOTAL**

\$56,103

**PART C**

**Sec. C-1. 5 MRSA c. 383, sub-c. V-A is enacted to read:**

**SUBCHAPTER V-A**

**RESEARCH**

**§13103. Maine Biomedical Research Program**

2        1. Definitions. As used in this section, unless the  
3        context otherwise indicates, the following terms have the  
4        following meanings.

6            A. "Biennium" means that period of time encompassed by the  
7            state budget fiscal biennium.

8            B. "Eligible institution" means any Maine-based nonprofit  
9            institution that:

10            (1) Performs competitive biomedical research, as  
11            evidenced by publication in recognized peer review  
12            journals; and

13            (2) Receives or expends funds to perform biomedical  
14            research from federal agencies or private foundations.

15            C. "Fund" means the Maine Biomedical Research Fund  
16            established in subsection 3.

17            D. "Program" means the Maine Biomedical Research Program  
18            established in subsection 2.

19        2. Program established. The Maine Biomedical Research  
20        Program is established to disburse program funds from the Maine  
21        Biomedical Research Fund to eligible institutions pursuant to  
22        this section. The department shall administer the program. The  
23        department shall:

24            A. Develop and modify detailed program guidelines  
25            consistent with this section in consultation as needed with  
26            members of the biomedical community;

27            B. Review and if necessary verify applications for funds  
28            from eligible institutions;

29            C. Determine whether the institution is an eligible  
30            institution;

31            D. Verify that the proposed use of program funds is  
32            consistent with subsection 4;

33            E. Determine the allocation that each eligible institution  
34            will receive in a given biennium;

35            F. Advertise the availability of funds each biennium; and

36            G. Submit each biennium a summary report to the Governor  
37            and the Legislature that compiles information reported to  
38            the Governor and the Legislature.



2 the department as required by subsection 8 by all the  
3 institutions that receive program funding.

4 3. Fund established. The Maine Biomedical Research Fund is  
5 established as an Other Special Revenue fund for the purposes  
6 specified in this section. The source of the fund is all  
7 legislative allocations made pursuant to Title 22, section 1511,  
8 subsection 6. Any unexpended balance in the fund may not lapse  
9 but must be carried forward for the benefit of the fund.

10 4. Use of funds. Program funds are intended to support  
11 biomedical research, with priority given to research and research  
12 technologies with the potential to affect diseases, biomedical  
13 mechanisms or conditions that are either caused by or related to  
14 tobacco use, such as, but not limited to, cancer, heart disease,  
15 diabetes, asthma, emphysema and stroke. An eligible institution  
16 receiving program funds under this section may use those funds  
17 for any of the following purposes:

- 20 A. Direct project funding;
- 22 B. Facilities funding, including debt service;
- 24 C. Equipment used in research, including debt service; or
- 26 D. Technical research support services.

28 An eligible institution that receives funds under this section  
29 may charge overhead expenses consistent with federal research  
30 granting criteria. The institution may utilize up to 2% of the  
31 program funds it receives to evaluate the impact of the research  
32 it is conducting. An institution is not obligated to expend  
33 program funds during the period in which those funds are  
34 received, but may carry over funding for up to 5 years.

36 5. Application procedure. In order to receive program  
37 funds, an eligible institution must submit to the program:

- 40 A. A preliminary plan describing how the institution would  
41 utilize program funds and what research and economic  
42 benefits it anticipates as a result of this funding;
- 44 B. Citations of articles from peer review journals  
45 published within the previous 2 years that show the  
46 institution is engaged in competitive biomedical research;
- 48 C. Copies of the institution's Internal Revenue Service  
49 form 990, showing the amount of funding from outside sources;

2 D. A breakdown and explanation of all funding from federal  
4 agencies and private foundations for biomedical research,  
listing each specific source of funding and its use; and

6 E. A statement signed by the institution's chief executive  
8 officer asserting that all the submitted materials are  
accurate.

10 6. Allocation of funds to eligible institutions. The  
12 department shall allocate funds from the fund to eligible  
14 institutions biennially, based on a formula to be developed by  
rule of the department. The formula must be designed both to  
provide an ongoing incentive to leverage outside funding and to  
make it easier for smaller institutions to grow.

16 A. The formula must link the amount of the program funds to  
18 be received by an eligible institution to the total amount  
20 of funding that the institution has received or expended to  
22 perform biomedical research from federal agencies and  
24 private foundations during the previous 2 years. In  
general, an institution receiving more funding from federal  
agencies and private foundations will receive more program  
funds under the formula.

26 B. The formula must be weighted to provide smaller eligible  
28 institutions with a proportionally larger share of program  
funds.

30 C. The formula must guarantee a certain minimum allocation  
32 to any eligible institution, regardless of size, that has  
34 attracted a minimum of \$1,000,000 over the previous 2 years  
from federal or foundation sources to perform biomedical  
research. That minimum must be expressed as a percentage of  
the total pool of funds to be allocated from the fund.

36 7. Final plan. Once funding decisions are made according  
38 to the formula established pursuant to subsection 6, each  
40 eligible institution shall revise its preliminary plan into a  
42 final plan that reflects the actual amount of funding allocated.  
44 A final plan must describe how the institution would utilize the  
allocated program funds and what research and economic benefits  
it anticipates as a result of this funding. An institution must  
submit a final plan to the department prior to disbursement of  
funding.

46 8. Accounting, evaluation and reporting requirements. Each  
48 institution receiving funding shall:

2 A. Maintain an accurate accounting of the use of all  
3 program funds as required by state procedures and program  
4 guidelines;

5 B. Undertake an ongoing process to evaluate the impact of  
6 the research undertaken with program funds. At a minimum,  
7 the evaluation process must be designed to provide the  
8 following:

9 (1) An assessment of the direct and indirect economic  
10 impact of the funded research; and

11 (2) An assessment of the contribution of the funded  
12 research to scientific advancement and the  
13 institution's competitive position; and

14 C. Each biennium, submit a report to the department. The  
15 report must include:

16 (1) An accounting of the use of all program funds  
17 received in the previous 2 years, prepared by a  
18 certified public accountant;

19 (2) An accounting of all revenues, including  
20 royalties, generated by the program's investments;

21 (3) A summary of the status of any ongoing research;

22 (4) A summary of the results of any completed  
23 research; and

24 (5) Evaluation data and assessment.

25 9. Rulemaking. The department shall adopt routine  
26 technical rules, pursuant to Title 5, chapter 375, subchapter  
27 II-A to implement this section.

28 **Sec. C-2. 22 MRSA §1511, sub-§6, ¶¶G and H, as enacted by PL**  
29 **1999, c. 401, Pt. V, §1, are amended to read:**

30 G. Substance abuse prevention and treatment; and

31 H. Comprehensive school health programs, including  
32 school-based health centers; and

33 **Sec. C-3. 22 MRSA §1511, sub-§6, ¶I is enacted to read:**

34 I. Biomedical research as described in Title 5, section  
35 13103, subsection 4.



2 the amount that Medicaid would have paid to providers directly  
3 for such services, were it not for the managed care system. The  
4 Medicaid program and ~~Maine-Health-Program~~ the elderly low-cost  
5 drug program under section 254 are the payors of last resort and  
6 should ~~shall~~ provide medical coverage only when there are no  
7 other available resources. The Attorney General, or counsel  
8 appointed by the Attorney General, may, to enforce this right,  
9 institute and prosecute legal proceedings directly against the  
10 3rd party in the appropriate court in the name of the  
11 commissioner.

12 In addition to the right of recovery set forth in this  
13 subsection, the commissioner must also be subrogated, to the  
14 extent of any benefits provided under the Medicaid program or  
15 under the ~~Maine-Health-Program~~ elderly low-cost drug program  
16 under section 254, to any cause of action or claim that a  
17 beneficiary has against a 3rd party who is or may be liable for  
18 medical costs incurred by or on behalf of the beneficiary. The  
19 Attorney General, or counsel appointed by the Attorney General,  
20 to enforce this right may institute and prosecute legal  
21 proceedings in the name of the injured person, beneficiary,  
22 guardian, personal representative, estate or survivor. If  
23 necessary to enforce the commissioner's right of recovery, the  
24 Attorney General, or counsel appointed by the Attorney General,  
25 may institute legal proceedings against any beneficiary who has  
26 received a settlement or award from a 3rd party.

28 The commissioner's right to recover the reasonable value of  
29 benefits provided constitutes a statutory lien on the proceeds of  
30 an award or settlement from a 3rd party if recovery for Medicaid  
31 costs was or could have been included in the recipient's claim  
32 for damages from the 3rd party. The commissioner is entitled to  
33 recover the amount of the benefits actually paid out or, with  
34 regard to Medicaid recipients who participated in the managed  
35 care program when the commissioner has determined that collection  
36 will be cost-effective, the reasonable value of benefits provided  
37 to the extent that there are proceeds available for such recovery  
38 after the deduction of reasonable attorney's fees and litigation  
39 costs from the gross award or settlement. In determining whether  
40 collection will be cost-effective, the commissioner shall  
41 consider all factors that diminish potential recovery by the  
42 department, including but not limited to questions of liability  
43 and comparative negligence or other legal defenses, exigencies of  
44 trial that reduce a settlement or award in order to resolve the  
45 recipient's claim and limits on the amount of applicable  
46 insurance coverage that reduce the claim to the amount  
47 recoverable by the recipient. The department's statutory lien  
48 may not be reduced to reflect an assessment of a pro rata share  
49 of the recipient's attorney's fees or litigation costs. The  
50 commissioner may compromise, or settle and execute a release of,

any claim or waive any claim, in whole or in part, if the commissioner determines the collection will not be cost-effective or that the best possible outcome requires compromise, release or settlement.

**Sec. D-2. 22 MRSA §14, sub-§2-A**, as amended by PL 1991, c. 9, Pt. N, §2, is further amended to read:

**2-A. Assignment of rights of recovery.** The receipt of benefits under the Medicaid program administered by the department pursuant to the United States Social Security Act, Title XIX, or under the ~~Maine--Health--Program,--section--3189~~ elderly low-cost drug program under section 254, constitutes an assignment by the recipient or any legally liable relative to the department of the right to recover from 3rd parties for the medical cost of injury, disease, disability or similar occurrence for which the recipient receives medical benefits. The department's assigned right to recover is limited to the amount of medical benefits received by the recipient and does not operate as a waiver by the recipient of any other right of recovery against a 3rd party that a recipient may have.

The recipient is also deemed to have appointed the commissioner as the recipient's attorney in fact to perform the specific act of submitting claims to insurance carriers or endorsing over to the department any and all drafts, checks, money orders or any other negotiable instruments connected with the payment of 3rd-party medical claims.

**Sec. D-3. 22 MRSA §14, sub-§§2-B and 2-C**, as amended by PL 1991, c. 9, Pt. N, §3, are further amended to read:

**2-B. Direct reimbursement to health care provider.** When an insured is eligible under the Medicaid program administered by the Department of Human Services, pursuant to the United States Social Security Act, Title XIX, or under the ~~Maine--Health Program,--section--3189~~ elderly low-cost drug program under section 254, for the medical costs of injury, disease, disability or similar occurrence for which an insurer is liable, and the insured's claim is payable to a health care provider as provided or permitted by the terms of a health insurance policy or pursuant to an assignment of rights by an insured, the insurer shall directly reimburse the health care provider to the extent that the claim is honored.

**2-C. Direct reimbursement to the Department of Human Services.** When an insured is eligible under the Medicaid program administered by the Department of Human Services, pursuant to the United States Social Security Act, Title XIX, or under the ~~Maine Health Program,--section--3189~~ elderly low-cost drug program under

2 section 254, for the medical costs of injury, disease, disability  
3 or similar occurrence for which an insurer is liable, and the  
4 claim is not payable to a health care provider under the terms of  
5 the health insurance policy, the insurer shall directly reimburse  
6 the Department of Human Services, upon request, for any medical  
7 services paid by the department on behalf of a recipient under  
8 Medicaid or Maine-Health-Program-recipient the elderly low-cost  
9 drug program under section 254 to the extent that those medical  
10 services are payable under the terms of the health insurance  
11 policy.

12 **Sec. D-4. 22 MRSA §14, sub-§§2-D and 2-E**, as amended by PL  
13 1991, c. 9, Pt. N, §4, are further amended to read:

14 **2-D. Notification of claim.** A recipient under Medicaid or  
15 Maine-Health-Program-recipient the elderly low-cost drug program  
16 under section 254, or any attorney representing a recipient under  
17 Medicaid or Maine-Health-Program-recipient the elderly low-cost  
18 drug program under section 254, who makes a claim to recover the  
19 medical cost of injury, disease, disability or similar occurrence  
20 for which the party received medical benefits under the Medicaid  
21 program, pursuant to the United States Social Security Act, Title  
22 XIX, or the Maine-Health-Program,--section-3189 elderly low-cost  
23 drug program under section 254, shall advise the department in  
24 writing with information as required by the department of the  
25 existence of the claim.

26 **2-E. Notification of pleading.** In any action to recover  
27 the medical cost of injury, disease, disability or similar  
28 occurrence for which the party received medical benefits under  
29 the Medicaid program or Maine-Health-Program the elderly low-cost  
30 drug program under section 254, the party bringing the action  
31 shall notify the department of that action at least 10 days prior  
32 to filing the pleadings. Department records indicating medical  
33 benefits paid by the department on behalf of the recipient are  
34 prima facie evidence of the medical expenses incurred by the  
35 recipient for the related medical services.

36 **Sec. D-5. 22 MRSA §14, sub-§2-H**, as enacted by PL 1991, c.  
37 815, §1, is amended to read:

38 **2-H. Honoring of assignments.** The following provisions  
39 apply to claims for payment submitted by the department or a  
40 health care provider.

41 **A.** Whenever a participating health care provider or the  
42 department submits claims to an insurer, as defined in Title  
43 24-A, section 4, or to a health maintenance organization on  
44 behalf of a recipient under Medicaid or Maine-Health-Program  
45 recipient the elderly low-cost drug program under section

2           254 for whom an assignment of rights has been received, or  
4           whose rights have been assigned by the operation of law, the  
6           insurer or health maintenance organization doing business in  
            the State must respond within 60 days of receipt of a claim  
            by forwarding payment or issuing a notice of denial directly  
            to the submitter of the claim.

8           B. Whenever a nonparticipating health care provider or the  
10           department on behalf of a nonparticipating provider submits  
12           claims to an insurer, as defined in Title 24-A, section 4,  
14           or a health maintenance organization that operates through a  
            series of participation agreements on behalf of a recipient  
            under Medicaid or Maine-Health-Program-recipient the elderly  
            low-cost drug program under section 254 for whom an  
16           assignment of rights has been received or whose rights have  
18           been assigned by the operation of law, the insurer or health  
20           maintenance organization doing business in the State must  
            respond within 60 days of receipt of a claim by forwarding  
            payment, issuing a notice of denial or issuing a copy of the  
            explanation of benefits directly to the submitter of the  
            claim.

22           **Sec. D-6. 22 MRSA §14, sub-§3**, as amended by PL 1997, c. 795,  
24           §4, is further amended to read:

26           **3. Definitions.** For purposes of this section, "3rd party"  
28           or "liable party" or "potentially liable party" means any entity,  
30           including, but not limited to, an insurance carrier that may be  
32           liable under a contract to provide health, automobile, workers'  
            compensation or other insurance coverage that is or may be liable  
34           to pay all or part of the medical cost of injury, disease,  
            disability or similar occurrence of an applicant or recipient of  
            benefits under Medicaid or Maine-Health-Program-benefits the  
            elderly low-cost drug program under section 254. For purposes of  
36           this section and sections 18 and 19, an "insurance carrier"  
38           includes health insurers, group health plans as defined in 29  
            United States Code, Section 1167(1), service benefit plans and  
            health maintenance organizations.

40           "Liable party," "potentially liable party" or "3rd party" also  
42           includes the trustee or trustees of any mortuary trust  
44           established by the recipient or on the recipient's behalf in  
            which there is money remaining after the actual costs of the  
46           funeral and burial have been paid in accordance with the terms of  
            the trust and in which there is no provision that the excess be  
48           paid to the decedent's estate. "Liable party," "potentially  
            liable party" or "3rd party" may also include the recipient of  
            the benefits under Medicaid or Maine-Health-Program-benefits the  
            elderly low-cost drug program under section 254.



2           **Sec. D-7. 22 MRSA §254, sub-§4-A**, as amended by PL 1999, c.  
401, Pt. KKK, §1 and affected by §10 and c. 531, Pt. F, §2, is  
further amended to read:

4           **4-A. Payment for drugs provided.** The commissioner may  
6 establish the amount of payment to be made by recipients toward  
the cost of prescription or nonprescription drugs, medication and  
8 medical supplies furnished under this program provided that, for  
persons at or below 185% of the federal poverty line, the total  
10 cost for any covered purchase of a prescription or  
nonprescription drug or medication provided under the basic  
12 component of the program or the total cost of any covered  
purchase of a generic prescription drug or medication under the  
supplemental component of the program does not exceed 20% of the  
14 price allowed for that prescription under program rules or \$2,  
whichever is greater. For the supplemental component of the  
16 program except for the covered purchase of a generic prescription  
drug or medication, the total cost paid by the program for any  
18 covered purchase of a prescription drug or medication may not  
20 exceed \$2. For the supplemental component of the program except  
for the covered purchase of a generic prescription drug or  
22 medication, the total cost paid by the individual for any covered  
purchase of a prescription drug or medication may not exceed the  
24 cost of the program for that drug or medication minus the \$2 paid  
by the program. The commissioner shall establish an annual limit  
26 on the costs paid by eligible persons for covered prescriptions  
or nonprescription drugs or medications, after which the program  
28 must pay 80% of the cost of all covered prescriptions or  
nonprescription drugs or medications. The annual limit for 2001  
30 is \$1,000. The commissioner may adjust the annual limit as  
necessary to operate the program within the program budget;

32           **Sec. D-8. 22 MRSA §254, sub-§10**, as amended by PL 1999, c.  
34 551, §1 is further amended to read:

36           **10. Eligible individuals.** To be eligible for the program,  
an individual must be:

38           A. At least 62 years of age; or

40           B. Nineteen years of age or older and determined to be  
42 disabled by the standards of the federal social security  
program; and

44           **Sec. D-9. 22 MRSA §254, sub-§11**, as enacted by PL 1999, c.  
46 551, §2, is amended to read:

48           **11. Retention of eligibility.** A person who was eligible  
for the program at any time from August 1, 1998 to July 31, 1999  
50 and who does not meet the requirements of subsection 10 retains

2 eligibility for the program until February 28, 2001 if that  
person is a member of a household of an eligible person; and

4 **Sec. D-10. 22 MRSA §254, sub-§12** is enacted to read:

6 12. Funds not to lapse. Funds appropriated from the  
7 General Fund to carry out the purpose of this section may not  
8 lapse but must carry from year to year.

10 **Sec. D-11. PL 1999, c. 401, Pt. KKK, §§8 and 9** are repealed.

12 **Sec. D-12. Allocation.** The following funds are allocated from  
13 Other Special Revenue funds to carry out the purposes of this  
14 Part.

16 2000-01

18 **HUMAN SERVICES,**  
19 **DEPARTMENT OF**

20 **Low-cost Drugs to Maine's**  
21 **Elderly**

24 All Other \$10,000,000

26 Provides for the allocation of funds from  
27 the Fund for a Healthy Maine to expand the  
28 supplemental program to cover 80% of the  
29 cost of generic drugs not covered in the  
30 basic program and to institute a  
31 catastrophic component whereby the  
32 department would establish an annual limit  
33 on the total costs to be paid by eligible  
34 persons in the program.

36 **Emergency clause.** In view of the emergency cited in the  
37 preamble, this Act takes effect when approved.'

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

	<b>FISCAL NOTE</b>		
	<b>ALLOCATIONS</b>		
	<b>1999-00</b>	<b>2000-01</b>	<b>BIENNIUM</b>
<b>50 Other Special Revenue Funds</b>			

RMS

COMMITTEE AMENDMENT "B" to H.P. 1818, L.D. 2552

2	PART A, Section A-2	(\$3,500,00)		(\$3,500,000)
4	PART A, Section A-3	6,308,981	38,785,867	45,094,848
6	PART B, Section B-2		56,103	56,103
8	PART C, Section C-5		10,000,000	10,000,000
10	PART D, Section D-11		(5,000,000)	(5,000,000)
12	PART D, Section D-12		10,000,000	10,000,000
14	OTHER SPECIAL REVENUE FUNDS			
16	TOTAL	<u>\$2,808,981</u>	<u>\$53,841,970</u>	<u>\$56,650,951</u>

18 **Federal Expenditures Fund**

20	PART A, Section A-4		\$42,000,000	\$42,000,000
22	PART D, Section D-11		(23,804,694)	(23,804,694)
24	FEDERAL EXPENDITURES FUND			
26	TOTAL	<u>\$0</u>	<u>\$18,195,306</u>	<u>\$18,195,306</u>

28 **ADJUSTMENTS TO GENERAL FUND BALANCE**

30	PART A, Section A-2	(\$3,500,000)		(\$3,500,000)'
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34 **SUMMARY**

36 This is the minority report of the Joint Standing Committee on Appropriations and Financial Affairs. It replaces the bill.

40 Part A of this amendment requires that revenues deposited into the Fund for a Healthy Maine that are less than estimated for programs and services supported by the Fund for a Healthy Maine must be reduced proportionately to their share of the overall fund, except the Medical Care - Payments to Providers program.

46 Part A also amends the law to eliminate the requirement that the Fund for a Healthy Maine return a working capital advance to the General Fund.

**COMMITTEE AMENDMENT**

2 Part A also provides allocations in 5 areas. It allocates  
10% of estimated tobacco settlement revenue to the Trust Fund for  
4 a Healthy Maine. The Partnership for a Tobacco-free Maine is  
funded to create a support system for those who want to quit  
6 smoking and for other statewide tobacco interventions. Funds are  
provided to implement the recommendations of the Substance Abuse  
8 Services Commission, and a program is established to improve  
delivery of and access to quality care for Medicaid recipients.  
10 Funding is also provided to cover an anticipated Medicaid  
shortfall.

12 Part B establishes and funds the position of school nurse  
consultant within the Department of Human Services and the  
14 Department of Education. The school nurse consultant's duties  
include acting as a liaison to school health care providers and  
16 policy-setting groups; providing health care, nursing, policy and  
legal information regarding school nursing, school health care  
18 programs and professional development; promoting staff  
development and promoting nursing excellence and optimal health  
20 of school children.

22 Part C creates the Maine Biomedical Research Program, using  
a \$10,000,000 allocation from the Fund for a Healthy Maine.  
24 Funds are intended to support biomedical research with priority  
given to research and research technologies with the potential to  
26 affect diseases, biomedical mechanisms or conditions that are  
either caused by or related to tobacco use. A report is due to  
28 the First Regular Session of the 120th Legislature concerning  
ways to share revenue, including royalties, generated by  
30 biomedical research funded by this Act.

32 Part D expands the supplemental program of the Low-cost Drug  
to Maine's Elderly to cover 80% of the cost of generic drugs not  
34 covered in the basic program, to institute a catastrophic  
component whereby the Department of Human Services would  
36 establish an annual limit on the total costs to be paid by  
eligible persons in the program, after which the program must pay  
38 80% of all covered drugs or medications and make the Low-cost  
Drugs to Maine's Elderly program the payor of last resort through  
40 a 3rd-party liability recovery process.

42 The amendment also adds a fiscal note.