

MAINE STATE LEGISLATURE

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L.D. 1277

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "C" to COMMITTEE AMENDMENT "A" to H.P. 964, L.D. 1277, Bill, "An Act to Establish a Single-payor Health Care System"

Amend the amendment by inserting after the title the following:

'Amend the bill by inserting after the enacting clause and before section 1 the following:

PART A

Sec. A-1. Health Care System and Health Security Board.

1. Board established. The Health Care System and Health Security Board, referred to in this section as the "board," consists of 25 members as follows:

A. The Commissioner of Human Services or the commissioner's designee;

B. The Director of the Bureau of Health or the director's designee;

C. The State Tax Assessor, Bureau of Revenue Services or the assessor's designee;

D. Two members of the House of Representatives appointed by the Speaker of the House of Representatives with preference to members of the joint standing committees of the Legislature having jurisdiction over health and human services matters and banking and insurance matters;

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- 2 E. Two members of the Senate appointed by the President of
the Senate with preference to members of the joint standing
4 committees of the Legislature having jurisdiction over
health and human services matters and banking and insurance
6 matters;
- 8 F. A representative of each of the following, appointed by
the Governor and confirmed by the Legislature:
- 10 (1) A statewide organization that advocates universal
12 health care;
- 14 (2) A statewide organization that represents Maine
senior citizens;
- 16 (3) A statewide organization that defends the rights
18 of children;
- 20 (4) An organization that provides services to
low-income clients;
- 22 (5) A statewide labor organization;
- 24 (6) An organization representing health care
26 economists;
- 28 (7) A statewide organization of primary care
physicians;
- 30 (8) A statewide organization of specialty care
32 physicians;
- 34 (9) A statewide organization of nurses;
- 36 (10) A statewide organization of health care providers;
- 38 (11) A statewide organization of hospitals;
- 40 (12) A statewide organization of long-term care
facilities;
- 42 (13) The business community;
- 44 (14) A statewide organization of mental health
46 consumers and advocates;
- 48 (15) A statewide organization that represents persons
with disabilities; and
50

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2 (16) An organization representing the self-employed;
and

4 G. Two members of the public appointed by the Governor and
confirmed by the Legislature.

6
8 **2. Chairs.** The first-named Senate member is the Senate
chair and the first-named House member is the House chair of the
board.

10
12 **3. Appointments; convening board.** All appointments must be
made no later than 30 days following the effective date of this
Part. The Executive Director of the Legislative Council must be
14 notified by the appointing authorities once the selections have
been made. The chairs shall call and convene the first meeting
16 of the board within 30 days of completion of all appointments.

18 **4. Duties of board.** As its first priority, the board shall
undertake a review to:

20
22 A. Determine what percentage of health care benefits are
paid from automobile insurance, general liability insurance
and workers' compensation insurance;

24
26 B. Assess what, if any, savings are associated with a
simplified billing system;

28
30 C. Assess what, if any, savings would be realized by
schools and correctional facilities with a single-payor
system based on their current expenses for services related
to health care such as occupational therapy, physical
32 therapy and speech therapy; and

34
36 D. Assess what, if any, savings are associated with a
single-payor system by comparing hospitals of similar size
in the State and other states.

38 The board shall conduct a feasibility study of the economic
impacts on individuals and businesses of a plan that guarantees a
40 minimum 5% savings over existing health care costs and the impact
on individuals and businesses of payment options and benefits
42 should those options be necessary, including but not limited to
increasing corporate and individual income tax rates; increasing
44 sales tax rates; eliminating sales tax exemptions and exclusions;
and establishing a payroll or other tax dedicated to funding the
46 plan.

48 Other duties of the board include developing proposals to
implement the Maine Single-payor Health Care Plan established in
50 the Maine Revised Statutes, Title 24-A, chapter 87, referred to

in this section as the "plan," which may include proposals regarding: promoting the purposes of the plan; setting reimbursement rates for participating providers; rules necessary to implement the plan; systems for enrollment, registration of providers for participation, rate setting and contracts with providers of services and pharmaceuticals; developing budgets with hospitals and institutional providers; administration of revenues of the plan; employment of staff as necessary to implement the plan; development of plans and funding for training and assistance for workers in the health care sector displaced by moving to a single-payor health care system; addressing the unique issues related to the delivery of a single-payor health care system among the State's border communities and the impact on health care practitioners, providers and residents of those communities; and conducting public hearings annually or more frequently regarding resource allocation, revenues and services. The board may choose to organize subcommittees of its members to carry out the duties described in this subsection, except that a subcommittee may not take any action without a final decision by the entire board. Any action or decision of the board must be made by majority vote.

The board shall stress prevention of disease and maintenance of health in developing proposals to implement this plan and shall attempt to retain and strengthen existing health facilities whenever possible in developing those proposals.

5. Staff assistance. Upon approval of the Legislative Council, the Office of Policy and Legal Analysis and the Office of Fiscal and Program Review shall provide staffing assistance to the board. The board, with the approval of the Legislative Council, may contract with a consultant to conduct the feasibility study.

6. Compensation. Those members of the board who are Legislators are entitled to receive legislative per diem as defined in the Maine Revised Statutes, Title 3, section 2 and reimbursement for travel and other necessary expenses related to their attendance at meetings of the board.

7. Report. Based on its review, the board shall develop recommendations regarding the implementation of the Maine Single-payor Health Care Plan established in the Maine Revised Statutes, Title 24-A, chapter 87 and shall submit its report, together with any necessary implementing legislation, to the Second Regular Session of the 120th Legislature by March 1, 2002. If the board requires an extension of time to make its report, it may apply to the Legislative Council, which may grant the extension.

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Sec. A-2. Transition. Notwithstanding the Maine Revised Statutes, Title 24-A, section 6903, the members of the Health Care System and Health Security Board may continue their service as members of the Health Security Board established in Title 5, section 12004-G, subsection 14-D.

Sec. A-3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Part.

10 **2001-02**

12 **LEGISLATURE**

14 **Health Care System and Health**
16 **Security Board**

18 Personal Services \$660
 All Other 10,000

20 Provides funds for the per
22 diem and expenses of
 legislative members of the
24 Health Care System and Health
 Security Board, to conduct
26 public hearings, to contract
 for a feasibility study and
28 to print the required report.

30 **LEGISLATURE**
TOTAL

\$10,660

32

PART B

34

36 Further amend the amendment in the first paragraph after the
 title in the first line (page 1, line 22 in amendment) by
38 striking out the following: "Amend" and inserting in its place
 the following: 'Further amend'

40 Further amend the amendment by striking out all of section 5
 (page 4, lines 14 to 32 in amendment) and inserting in its place
42 the following:

44 **Sec. 5. Appropriation.** The following funds are appropriated
 from the General Fund to carry out the purposes of this Part.

46

2002-03

48

LEGISLATURE

Legislature

All Other	\$400
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Provides funds for the per diem and expenses
of legislative members of the Health
Security Board.

Sec. 6. Effective date. Those sections of this Part that enact
the Maine Revised Statutes, Title 5, section 12004-G, subsection
14-D and Title 24-A, chapter 87 take effect January 1, 2003.'

FISCAL NOTE

2001-02	2002-03
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APPROPRIATIONS/ALLOCATIONS

General Fund	\$10,660	\$400
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The Legislature will require an additional General Fund
appropriation of \$10,660 in fiscal year 2001-02 for the per diem
and expenses of legislative members of the Health Care System and
Health Security Board, to conduct public hearings, to contract
for a feasibility study and to print the required report.

The additional costs associated with providing staffing
assistance to the board during the interim between legislative
sessions can be absorbed by the Legislature utilizing existing
budgeted resources. If an extension of the reporting deadline is
granted and the board requires staffing assistance during the
legislative session, the Legislature may require an additional
General Fund appropriation to contract for staff services.

The amendment delays the effective date for the Health
Security Board. As amended, the Legislature will require a
General Fund appropriation of \$400 in fiscal year 2002-03 for the
expenses of legislative members of the Health Security Board.
The estimated annual future cost associated with membership on
the Health Security Board in fiscal year 2003-04 and thereafter
will be approximately \$1,240.

SUMMARY

This amendment delays the effective date of the Maine Single-payor Health Care Plan until January 1, 2003 and establishes in the interim a board composed of the same members as the Health Security Board to conduct a feasibility study of economic impacts of the plan on individuals and businesses of payment options and to develop proposals for implementation of the Maine Single-payor Health Care Plan. This amendment authorizes the board to introduce legislation to the Second Regular Session of the 120th Legislature, allowing the Legislature to make modifications to the plan prior to the plan's effective date of January 1, 2003.

SPONSORED BY:

(Representative VOLENIK)

TOWN: Brooklin