

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
120TH LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 979, L.D. 1303, Bill, "An Act to Increase Access to Health Care"

Amend the amendment in Part A by striking out all of section 1 (page 1, lines 28 to 38 in amendment) and inserting in its place the following:

'Sec. A-1. 22 MRSA §254, sub-§1, ¶C is enacted to read:

C. The department shall provide drugs and medications for cancer at a level and in a manner determined by the department to be of the highest possible benefit to program recipients.'

Further amend the amendment in Part A by striking out all of section 6 and inserting in its place the following:

'Sec. A-6. 22 MRSA §§3174-AA and 3174-BB are enacted to read:

§3174-AA. Asset limits

Beginning January 1, 2002, in determining eligibility for medical assistance under the Medicaid program for all individuals and families subject to an asset test, the department shall exempt from consideration all assets exempt pursuant to program rule on January 1, 2001 and shall adopt rules to exempt from consideration certain assets in amounts and under terms the department determines to be reasonable and consistent with the purposes of the Medicaid program as provided in this section. Rules adopted pursuant to this section are routine technical

rules as defined in Title 5, chapter 375, subchapter II-A. The rules must provide exemptions for the following assets:

1. Second vehicle. A 2nd vehicle that is necessary for employment, to secure medical treatment or to provide transportation for essential daily activities or a vehicle that has been modified for operation by or the transportation of a person with a disability;

2. Certain retirement savings. An individual retirement account, self-employed plan, tax sheltered annuity or Keogh or comparable retirement account of an adult family member;

3. Life insurance. Life insurance policies covering a family member;

4. Educational savings plans. Educational savings plans or accounts reserved exclusively for educational purposes, including postsecondary education, for a child or an adult; and

5. Savings. An amount up to \$8,000 for an individual and up to \$12,000 for a household of more than one person.

§3174-BB. Enrollment periods

The department shall establish enrollment periods for medical assistance as provided in this section. Prior to the end of the enrollment period, the department shall determine continuing eligibility for the next enrollment period and notify the enrollee of the determination.

1. Children. In the Medicaid program and the Cub Care program under section 3174-T, the enrollment period for children under 19 years of age must be 12 months.

2. Adults. In the Medicaid program, the enrollment period must be the longest period allowed by federal law or regulation but may not exceed 12 months.'

Further amend the amendment in Part A by striking out all of section 7 (page 4, lines 38 to 47 in amendment) and inserting in its place the following:

'**Sec. A-7. Waiver.** The Department of Human Services shall amend the waiver application from the State that is pending before the federal Department of Health and Human Services Health Care Financing Administration. The amended waiver must provide for maximum access to all prescription drugs covered by the Medicaid program, including drugs for the treatment of cancer.'

2 Further amend the amendment in Part A by striking out all of
sections 8 and 9 and inserting in their place the following:

4 **Sec. A-8. Appropriation.** The following funds are
6 appropriated from the General Fund to carry out the purposes of
this Part.

		2001-02	2002-03
10	HUMAN SERVICES, DEPARTMENT OF		
12	Medical Care - Payments to		
14	Providers		
16	All Other		\$4,393,313
18	Provides funds for Medicaid		
20	coverage to noncategorically		
22	eligible adults with income		
	up to 125% of federal nonfarm		
	poverty levels.		
24	Medical Care - Payments to		
	Providers		
26	All Other	\$534,637	\$874,815
28	Provides funds to increase		
30	the income eligibility for		
32	children in the Cub Care		
34	program from 200% to 250% of		
	federal nonfarm poverty		
	levels.		
36	Medical Care - Payments to		
	Providers		
38	All Other	137,447	295,866
40	Provides funds due to changes		
42	in the asset test used to		
44	determine eligibility for		
	medical assistance under the		
	Medicaid program.		
46	Low-cost Drugs to Maine's Elderly		
48	All Other	2,000,000	2,932,333
50	Provides funds to add cancer		

2 to the elderly low-cost drug
program pursuant to the Maine
4 Revised Statutes, Title 22,
section 254, subsection 1,
6 paragraph C.

8 **Bureau of Health**

10 All Other 10,000 10,000

12 Provides funds to match
available federal funding to
14 promote the delivery of
health care in rural areas of
the State.

16 **Bureau of Medical Services**

18 Positions - Legislative Count (1,000) (3,000)
20 Personal Services 32,584 107,288
22 All Other 121,473 87,896
24 Total 154,057 195,184

26 Provides funds for one Social
Services Program Manager
28 position in fiscal year
2001-02 and one Comprehensive
30 Health Planner II position,
one Social Services Program
32 Manager position and one
Social Services Program
34 Specialist I position in
fiscal year 2002-03 and
36 related operating costs
associated with expanding the
38 access to the Medicaid
program.

40 **Bureau of Family Independence**

42 Positions - Legislative Count (2,000) (16,000)
44 Personal Services 70,459 605,604
All Other 21,250 123,500
46 Total 91,709 729,104

48 Provides funds for 2 Family
Independence Specialist
50 positions in fiscal year

2001-02 and 10 Family
 Independence Specialist
 positions, 2 Human Services
 Aide positions, one Family
 Independence Unit Supervisor
 position and 3 Clerk Typist
 II positions in fiscal year
 2002-03 and related operating
 costs associated with
 expanding the access to the
 Medicaid program.

DEPARTMENT OF HUMAN SERVICES
14 TOTAL \$2,927,850 \$ 9,430,615

16 Sec. A-9. Allocation. The following funds are allocated from
 the Federal Expenditures Fund to carry out the purposes of this
 18 Part.

2001-02 2002-03

22 HUMAN SERVICES, DEPARTMENT OF

**24 Medical Care - Payments to
 Providers**

26 All Other \$8,752,448

28 Provides funds for the
 30 federal match for Medicaid
 coverage to noncategorically
 32 eligible adults with income
 up to 125% of federal nonfarm
 34 poverty levels.

**36 Medical Care - Payments to
 Providers**

38 All Other \$1,743,197 2,865,309

40 Provides funds for the
 42 federal match to increase the
 income eligibility for
 44 children in the Cub Care
 program from 200% to 250% of
 46 federal nonfarm poverty
 levels.

**50 Medical Care - Payments to
 Providers**

2	All Other	272,414	589,432
4	Provides funds for the		
6	federal match due to changes		
8	in the asset test used to		
10	determine eligibility for		
12	medical assistance under the		
14	Medicaid program.		
16	Bureau of Medical Services		
18	Positions - Legislative Count	(1,000)	(2,000)
20	Personal Services	32,584	107,288
22	All Other	121,473	87,896
24	Total	<u>154,057</u>	<u>195,184</u>
26	Provides funds for one Senior		
28	Medical Claims Adjuster		
30	position in fiscal year		
32	2001-02 and one Senior		
34	Medical Claims Adjuster		
36	position and one Medical		
38	Claims Adjuster position in		
40	fiscal year 2002-03 and		
42	related operating costs		
44	associated with expanding the		
46	access to the Medicaid		
48	program.		
50	Bureau of Family Independence		
52	Positions - Legislative Count	(3,000)	(16,000)
54	Personal Services	70,459	605,604
56	All Other	21,250	123,500
58	Total	<u>91,709</u>	<u>729,104</u>
60	Provides funds for 3 Family		
62	Independence Specialist		
64	positions in fiscal year		
66	2001-02 and 11 Family		
68	Independence Specialist		
70	positions, one Human Services		
72	Aide position, 2 Family		
74	Independence Unit Supervisor		
76	positions and 2 Clerk Typist		
78	II positions in fiscal year		
80	2002-03 and related operating		

costs associated with
expanding the access to the
Medicaid program.

DEPARTMENT OF HUMAN SERVICES

TOTAL

\$2,261,377

\$13,131,477'

Further amend the amendment by striking out all of Part B
and inserting in its place the following:

PART B

Sec. B-1. 22 MRSA §259 is enacted to read:

§259. Support for primary and preventive health care services

The department shall maintain and expand health care access
for underserved populations using funds appropriated for these
purposes by the Legislature as provided in this section.

1. Support for federally qualified health centers and
federally qualified look-alikes. The department shall provide
support for the infrastructure of federally qualified health
centers and federally qualified look-alikes, utilizing \$1,485,000
appropriated in fiscal year 2001-02 and annually thereafter.
From this amount, funding must be utilized as follows:

A. One hundred fifty thousand dollars as the state Medicaid
match to contract for Medicaid outstationing services at
federally qualified health centers and federally qualified
look-alikes;

B. Two hundred sixty thousand dollars as the state Medicaid
match to provide incentives under Medicaid to improve the
quality of services and enhance the delivery of preventive
services at federally qualified health centers and federally
qualified look-alikes;

C. Eight hundred seventy-five thousand dollars to support
the primary care infrastructure of federally qualified
health centers providing health care services to underserved
populations; and

D. Two hundred thousand dollars to support the
infrastructure of federally qualified look-alikes that meet
standards set by the department.

2. Supports for certain nonprofit health entities. The
department shall provide support for certain community-based
nonprofit health entities as follows.

2 A. In fiscal year 2002-03 and annually thereafter, \$115,000
4 must be appropriated to maintain and expand access to health
6 care through programs that are community-based, nonprofit
8 health entities that provide primary care services to
10 underserved populations regardless of the ability of the
12 patient to pay and that utilize a sliding fee scale for
14 patients with family income below 200% of the federal
 nonfarm income official poverty line. These funds may not
 be expended until the department has reported to the joint
 standing committee of the Legislature having jurisdiction
 over health and human services matters recommending the
 entities to be provided funding and the amount of such
 funding.

16 B. In fiscal year 2002-03 and annually thereafter, \$200,000
18 must be appropriated to maintain and expand access to health
20 care through programs that are community-based, nonprofit
22 rural health clinics that provide primary care services to
24 underserved populations regardless of the ability of the
 patient to pay and that utilize a sliding fee scale for
 patients with family income below 200% of the federal
 nonfarm income official poverty line. The department shall
 determine which rural health clinics will be provided
 funding and the amount of such funding.

26 3. Rulemaking. The department shall adopt rules to
28 implement this section. Rules adopted pursuant to this section
30 are routine technical rules as defined in Title 5, chapter 375,
 subchapter II-A.

32 4. Restriction. Funding provided under this section may
34 not supplant other sources of funding.

Sec. B-2. 22 MRS §3192 is enacted to read:

36 §3192. Affordable Health Care Fund

38 The Affordable Health Care Fund is established to assist
40 individuals with the costs of participation in community health
42 access programs. The fund is a nonlapsing fund and any excess
44 funds may be used only for the purposes of this section. The
46 fund may be used only to subsidize the costs of community health
48 access programs' fees. The department shall establish subsidies
 on a sliding scale based on income for eligible individuals
 enrolled in community health access programs. Individuals
 eligible for health coverage under the Medicaid or Medicare
 program are not eligible to receive a subsidy from this fund.

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

	2001-02	2002-03
6 HUMAN SERVICES, DEPARTMENT OF		
8 Bureau of Medical Services		
10 All Other	\$150,000	\$150,000
12 Provides funds to contract		
14 for Medicaid outstationing		
16 services at federally		
18 qualified health centers and		
20 federally qualified		
look-alikes.		
20 Medical Care - Payments to		
Providers		
22 All Other	260,000	260,000
24 Provides funds to improve the		
26 quality of services and		
28 enhance the delivery of		
30 services at federally		
qualified health centers and		
federally qualified		
look-alikes.		
32 Bureau of Health		
34 All Other	875,000	875,000
36 Provides funds to support the		
38 primary care infrastructure		
40 of federally qualified health		
42 centers providing health care		
services to underserved		
populations.		
Bureau of Health		
44 All Other	200,000	200,000
46 Provides funds to support the		
48 infrastructure of federally		
qualified look-alikes that		

2 meet standards set by the
Department of Human Services.

4 **Bureau of Health**

6 All Other 115,000

8 Provides funds to maintain
10 and expand access to health
care programs that are
12 community-based, nonprofit
entities that provide primary
14 care services to underserved
populations regardless of the
16 ability to pay and that
utilize a sliding fee scale
18 for patients with families
below 200% of federal poverty
20 levels. These funds may not
be expended until the
22 Department of Human Services
has reported to the Joint
24 Standing Committee on Health
and Human Services
recommending entities to be
26 provided funding and the
amount of such funding.

28 **Bureau of Health**

30 All Other 200,000

32 Provides funds to maintain
34 and expand access to health
care programs that are
36 community-based, nonprofit
rural health clinics that
38 provide primary care services
to underserved populations
40 regardless of the ability to
pay and that utilize a
42 sliding fee scale for
patients with families below
44 200% of federal poverty
levels. The Department of
46 Human Services shall
determine which rural health
48 clinics will be provided

Sec. C-5. Allocation. The following funds are allocated from
the Federal Expenditures Fund to carry out the purposes of this
Part.

2001-02

HUMAN SERVICES, DEPARTMENT OF

Bureau of Medical Services

All Other \$50,000

Provides funds for the federal match for the
waiver design and actuarial rate-setting
costs associated with applying for a waiver
to provide Medicaid coverage to
self-employed persons and sole proprietors
and members of their immediate families
whose family income is less than 300% of
federal poverty levels on a buy-in basis and
to study and report on the feasibility of
extending health coverage benefits to those
for whom commercial coverage is not
reasonably available.

Bureau of Medical Services

All Other 49,500

Provides funds for the federal match to
change the name of all Medicaid and Cub Care
programs to the MaineCare program.

**DEPARTMENT OF HUMAN SERVICES
TOTAL**

\$99,500'

Further amend the amendment by inserting after Part C the
following:

PART D

Sec. D-1. 36 MRSA §4366-D is enacted to read:

§4366-D. Additional cigarette tax

1. Additional tax imposed. Beginning October 1, 2001, an
additional tax is imposed of 7 mills for each cigarette imported
into this State or held for sale in this State by any person.
The tax imposed under this section must be added to the tax

imposed under section 4365 and collected and administered in the
same manner as the tax under that section.

2. Transition. The State Tax Assessor shall adopt rules to
ensure that cigarettes sold or held for resale, including sales
through vending machines, on November 1, 2001 are stamped at the
combined tax rate applicable under section 4365 and this
section. The rules must specify a due date for payment of tax
due under this subsection. Rules adopted pursuant to this
section are routine technical rules as defined in Title 5,
chapter 375, subchapter II-A.

PART E

Sec. E-1. 22 MRSA §260 is enacted to read:

§260. Maine Health Access Fund

There is established the Maine Health Access Fund, referred
to in this section as the "fund," as a dedicated fund to provide
expanded access to health care.

1. Transfers to fund. The State Controller shall transfer
to the fund such money as authorized by law. The fund may also
receive funds from other sources that are designated for the
fund. Interest earned on fund balances and investment income on
balances in the fund accrue to the fund.

2. Nonlapsing. Any unexpended balances in the fund may not
lapse but must be carried forward.

3. Restriction. Allocations from the fund must be used to
supplement and not supplant appropriations from the General Fund.

Sec. E-2. Transfer of funds. Any unexpended amounts from the
General Fund appropriations in this Part must be transferred by
the State Controller to the Maine Health Access Fund.'

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

FISCAL NOTE

2001-02

2002-03

APPROPRIATIONS/ALLOCATIONS

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 979,
L.D. 1303

2 General Fund \$4,612,350 \$11,230,615
 Other Funds 3,026,186 13,809,545

4

REVENUES

6

8 General Fund \$5,017,923 \$11,845,204
 Other Funds 3,029,084 13,818,423

10

12 This amendment increases the tax on cigarettes to increase
14 General Fund revenue that will offset the cost of the
16 appropriations in the bill. This amendment also makes
18 adjustments to the appropriation and allocation sections of the
 bill, resulting in a decrease in the General Fund appropriations
 in the bill by \$3,298,601 in fiscal year 2001-02 and \$4,774,610
 in fiscal year 2002-03.

18

20 The increase in the cigarette tax will increase General Fund
22 revenue by \$4,964,000 in fiscal year 2001-02 and \$11,680,000 in
24 fiscal year 2002-03. The increased cigarette price will also
26 increase sales tax collections by \$56,821 in fiscal year 2001-02
28 and \$174,082 in fiscal year 2002-03. The increase of these tax
30 collections will increase the amounts transferred to the Local
32 Government Fund for state-municipal revenue sharing in those
34 fiscal years by \$2,898 and \$8,878, respectively. The resulting
 net increase of General Fund revenue will be \$53,923 in fiscal
 year 2001-02 and \$165,204 in fiscal year 2002-03. This revenue
 estimate is based on the assumption that the cigarette tax
 proposed in the supplemental "Part II" budget, LD 855, as amended
 by Committee Amendment "A" will be adopted. If the proposed
 supplemental budget is not adopted, the revenue generated by this
 bill will increase by an amount that can not be determined at
 this time.

36

38 The Bureau of Revenue Services within the Department of
40 Administrative and Financial Services will incur additional
42 administrative costs related to the cigarette repricing. The
 amount of General Fund appropriations that may be required by the
 bureau to cover these additional costs can not be determined at
 this time.

42

SUMMARY

44

46 This amendment raises the cigarette tax by 7 mills effective
 October 1, 2001 to fund the costs of the bill. This amendment
 creates the Affordable Health Care Fund to assist individuals

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 979,
L.D. 1303

2 with the costs of participation in community health access
3 programs. The amendment also adjusts some of the figures in the
4 various appropriations and allocations. It establishes the Maine
5 Health Access Fund to receive funds from the tobacco tax increase
6 and to allocate those funds to health care expansion initiatives.

8
10 SPONSORED BY: 
11 (Senator J. NUTTING)

12 COUNTY: Androscoggin
14