

MAINE STATE LEGISLATURE

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L.D. 1303

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MINORITY
HEALTH AND HUMAN SERVICES

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

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

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

Sec. 1. 22 MRSA §3174-T, sub-§2, ¶¶D and E, as reallocated by RR 1997, c. 2, §46, are amended to read:

D. Notwithstanding changes in the maximum eligibility level determined under paragraph B, the following requirements apply to enrollment and eligibility:

(1) Children must be enrolled for ~~6-month~~ 12-month enrollment periods. Prior to the end of each ~~6-month~~ 12-month enrollment period the department shall redetermine eligibility for continuing coverage; and

(2) Children of higher family income may not be covered unless children of lower family income are also covered. This subparagraph may not be applied to disqualify a child during the ~~6-month~~ 12-month enrollment period. Children of higher income may be disqualified at the end of the ~~6-month~~ 12-month enrollment period if the commissioner has lowered the maximum eligibility level under paragraph B.

2 E. Coverage under the Cub Care program may be purchased for
4 children described in subparagraphs (1) and (2) for a period
6 of up to 18 months as provided in this paragraph at a
8 premium level that is revenue neutral and that covers the
10 cost of the benefit and a contribution toward administrative
12 costs no greater than the maximum level allowable under
14 COBRA. The department shall adopt rules to implement this
16 paragraph. The following children are eligible to enroll
18 under this paragraph:

20 (1) A child who is enrolled under paragraph A or B
22 and whose family income at the end of the child's
24 ~~6-month~~ 12-month enrollment term exceeds the maximum
26 allowable income set in that paragraph; and

28 (2) A child who is enrolled in the Medicaid program
30 and whose family income exceeds the limits of that
32 program. The department shall terminate Medicaid
34 coverage for a child who enrolls in the Cub Care
36 program under this subparagraph.

38 **Sec. 2. Waiver application for self-employed persons and sole**
40 **proprietors and members of their immediate families.** The Department
42 of Human Services shall apply for a waiver from the federal
44 Health Care Financing Administration to provide coverage for
46 self-employed persons and sole proprietors and members of their
48 immediate families whose family income is less than 300% of the
nonfarm income official poverty line under a portion of the
Medicaid program to be known as the "self-employed program."
Under the self-employed program, enrollees must pay premiums,
copayments and deductibles sufficient to cover the costs of
coverage and administrative expenses. The waiver application
must provide that the self-employed program is self-sufficient
and requires no funding from the State. The department may seek
grants and foundation funding to assist in the establishment and
operation of the self-employed program. The department may
maximize the use of federal funds to support the program. The
premium structure may provide for cross-subsidization from higher
income enrollees in the program to assist lower income
enrollees. In designing the program, the department shall
convene meetings of interested parties, including, but not
limited to, consumers, insurance carriers and health coverage
providers and employers. If a waiver is approved by the Health
Care Financing Administration, the department may not begin
providing coverage under the self-employed program prior to
obtaining legislative approval. A self-employed program
implemented pursuant to this section must sunset if state funding
is required for the operation of the program.

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2 and members of their
3 immediate families whose
4 family income is less than
5 300% of federal poverty
6 levels on a buy-in basis and
7 to study and report on the
8 feasibility of extending
9 health coverage benefits to
10 those for whom commercial
11 coverage is not reasonably
12 available.

14 **Bureau of Medical Services**

All Other 49,500

16 Provides funds to change the
17 name of the Medicaid program
18 and Cub Care program to the
19 MaineCare program.
20

22 **Bureau of Health**

24 All Other 10,000 \$10,000

26 Provides funds to match
27 available federal funding to
28 promote the delivery of
29 health care in rural areas of
30 the State.

32 **DEPARTMENT OF HUMAN SERVICES**
33 **TOTAL**

\$159,500 \$10,000

34 **Sec. 5. Allocation.** The following funds are allocated from the
35 Federal Expenditures Fund to carry out the purposes of this Act.

38 **2001-02**

40 **HUMAN SERVICES, DEPARTMENT OF**

42 **Bureau of Medical Services**

44 All Other \$100,000

46 Provides for the federal match for the
47 waiver design and actuarial rate-setting
48 costs associated with applying for a waiver
to provide Medicaid coverage to

self-employed persons and sole proprietors and members of their immediate families 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.

8 Bureau of Medical Services

10 All Other 49,500

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

16 DEPARTMENT OF HUMAN SERVICES
TOTAL \$149,500'

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

22 FISCAL NOTE

	2001-02	2002-03
24 APPROPRIATIONS/ALLOCATIONS		
26		
28		
30	General Fund \$159,500	\$10,000
	Other Funds 149,500	

32 REVENUES

34 Other Funds \$149,500

36 This bill includes General Fund appropriations totalling
38 \$159,500 and \$10,000 in fiscal years 2001-02 and 2002-03,
40 respectively, for the Department of Human Services to expand
42 access to health care. The bill also includes Federal
Expenditures Fund allocations totalling \$149,500 in fiscal year
2001-02 for the federal match associated with expanding access to
health care.

44 This bill includes a General Fund appropriation of \$100,000
46 in fiscal year 2001-02 and the matching Federal Expenditures Fund
48 allocation of \$100,000 for the Bureau of Medical Services within
the Department of Human Services for the waiver design and
actuarial rate-setting costs associated with applying for a
waiver to provide Medicaid coverage for 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 individuals, employees and employers in small businesses for whom commercial coverage is not reasonably available.

This bill includes a General Fund appropriation of \$49,500 in fiscal year 2001-02 and a matching Federal Expenditures Fund allocation of \$49,500 for the Bureau of Medical Services to change the name of all Medicaid and Cub Care programs to the MaineCare program.

This bill includes General Fund appropriations of \$10,000 in each of fiscal years 2001-02 and 2002-03 for the Bureau of Health within the Department of Human Services to match available federal funding to promote the delivery of health care in rural areas of the State. The Bureau of Health will require additional Federal Expenditures Fund allocations for the available federal funding. The amounts can not be determined at this time.'

SUMMARY

This amendment is the minority report of the committee. It replaces the bill. It contains a number of provisions to expand access to health care. This amendment does the following.

1. It provides for an enrollment period in the Cub Care program of 12 months.

2. It provides eligibility for Medicaid coverage to noncategorically eligible adults with an income up to 125% of the federal nonfarm official poverty line under a federal waiver. It begins a process of applying for a waiver to provide Medicaid coverage to self-employed persons and sole proprietors and members of their immediate families with incomes below 300% of the nonfarm income official poverty line on a buy-in basis. This self-employed and sole proprietor provision may not take effect without legislative approval granted after the approval of the waiver by the Health Care Financing Administration. It directs the Department of Human Services to undertake a study regarding health coverage for individuals, employees and employers in small businesses.

3. It appropriates \$10,000 in each year to be used as the match for federal funds available for the Department of Human Services, Bureau of Health, Office of Health, Data and Program Management and funding for the Office for Rural Health and Primary Care.

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2 4. It renames the Medicaid and Cub Care programs the
MaineCare program.

4 5. It adds appropriation and allocation sections and a
fiscal note to the bill.