

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

M
R.O.S.

STATE LAW LIBRARY
AUGUSTA, MAINE

L.D. 1303

2
4
DATE: 6-21-01

(Filing No. H-757)

6 Reproduced and distributed under the direction of the Clerk of
8 the House.

10 STATE OF MAINE
12 HOUSE OF REPRESENTATIVES
14 120TH LEGISLATURE
16 FIRST REGULAR SESSION

18 HOUSE AMENDMENT "A" to H.P. 979, L.D. 1303, Bill, "An Act
20 to Increase Access to Health Care"

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

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

28 PART A

30 Sec. A-1. 22 MRSA §3174-G, sub-§1, ¶¶D and E, as enacted by PL
32 1999, c. 731, Pt. 00, §1, are amended to read:

34 D. A child one year of age or older and under 19 years of
36 age when the child's family income is equal to or below 150%
38 of the nonfarm income official poverty line; and

40 E. The parent or caretaker relative of a child described in
42 paragraph B or D when the child's family income is equal to
44 or below 150% of the nonfarm income official poverty line,
subject to adjustment by the commissioner under this
paragraph. Medicaid services provided under this paragraph
must be provided within the limits of the program budget.
Funds appropriated for services under this paragraph must
include an annual inflationary adjustment equivalent to the
rate of inflation in the Medicaid program. On a quarterly
basis, the commissioner shall determine the fiscal status of
program expenditures under this paragraph. If the
commissioner determines that expenditures will exceed the

HOUSE AMENDMENT

H. 015

2 funds available to provide Medicaid coverage pursuant to
3 this paragraph, the commissioner must adjust the income
4 eligibility limit for new applicants to the extent necessary
5 to operate the program within the program budget. If, after
6 an adjustment has occurred pursuant to this paragraph,
7 expenditures fall below the program budget, the commissioner
8 must raise the income eligibility limit to the extent
9 necessary to provide services to as many eligible persons as
10 possible within the fiscal constraints of the program
11 budget, as long as the income limit does not exceed 150% of
12 the nonfarm income official poverty line; and

13 **Sec. A-2. 22 MRSA §3174-G, sub-§1, ¶F is enacted to read:**

14 F. A person 20 to 64 years of age who is not otherwise
15 covered under paragraphs A to E when the person's family
16 income is below or equal to 100% of the nonfarm income
17 official poverty line, provided that the commissioner shall
18 adjust the maximum eligibility level in accordance with the
19 requirements of the paragraph.

20
21 (1) If, on October 1, 2003 and annually thereafter,
22 expenditures for the population described in this
23 paragraph are reasonably anticipated to fall below the
24 program budget, the commissioner shall raise the
25 maximum eligibility level to the extent necessary to
26 provide coverage to as many persons with income below
27 125% of the nonfarm income official poverty line as
28 possible within the fiscal constraints of the Maine
29 Health Access Fund described in section 260.

30
31 (2) If the maximum eligibility level is raised above
32 100% of the poverty level pursuant to this paragraph
33 and subsequently the commissioner reasonably
34 anticipates the cost of the program to exceed the
35 budget of the population described in this paragraph,
36 the commissioner shall lower the maximum eligibility
37 level to the extent necessary to provide coverage to as
38 many persons as possible within the program budget.

39
40 (3) The commissioner shall give at least 30 days'
41 notice of the proposed change in maximum eligibility
42 level to the joint standing committee of the
43 Legislature having jurisdiction over appropriations and
44 financial affairs and the joint standing committee of
45 the Legislature having jurisdiction over health and
46 human services matters.

47
48 (4) The department must begin offering coverage 3
49 months after obtaining approval of a waiver of coverage
50

from the United States Department of Health and Human Services or on October 1, 2002, whichever is later.

Sec. A-3. 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.

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

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

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

Sec. A-4. 22 MRSA §§3174-AA and 3174-BB are enacted to read:

§3174-AA. Asset limits

Ref's

2 Beginning January 1, 2002, in determining eligibility for
3 medical assistance under the Medicaid program for all individuals
4 and families subject to an asset test, the department shall
5 exempt from consideration all assets exempt pursuant to program
6 rule on January 1, 2001 and shall adopt rules to exempt from
7 consideration certain assets in amounts and under terms the
8 department determines to be reasonable and consistent with the
9 purposes of the Medicaid program as provided in this section.
10 Rules adopted pursuant to this section are routine technical
11 rules as defined in Title 5, chapter 375, subchapter II-A. The
12 rules must provide exemptions for the following assets:

13
14 1. **Second vehicle.** A 2nd vehicle that is necessary for
15 employment, to secure medical treatment or to provide
16 transportation for essential daily activities or a vehicle that
17 has been modified for operation by or the transportation of a
18 person with a disability; and

19
20 2. **Savings.** An amount up to \$8,000 for an individual and
21 up to \$12,000 for a household of more than one person.

22 **§3174-BB. Enrollment periods**

23
24 The department shall establish enrollment periods for
25 medical assistance as provided in this section. Prior to the end
26 of the enrollment period, the department shall determine
27 continuing eligibility for the next enrollment period and notify
28 the enrollee of the determination.

29
30 1. **Children.** In the Medicaid program and the Cub Care
31 program under section 3174-T, the enrollment period for children
32 under 19 years of age must be 12 months.

33
34 2. **Adults.** In the Medicaid program, the enrollment period
35 must be the longest period allowed by federal law or regulation
36 but may not exceed 12 months.

37
38 **Sec. A-5. Waiver.** The Department of Human Services shall
39 amend the waiver application from the State that is pending
40 before the federal Department of Health and Human Services Health
41 Care Financing Administration. The amended waiver must provide
42 for maximum access to all prescription drugs covered by the
43 Medicaid program, including drugs for the treatment of cancer.

44
45 **Sec. A-6. Appropriation.** The following funds are appropriated
46 from the General Fund to carry out the purposes of this Part.

47
48 2001-02 2002-03

ERS

HUMAN SERVICES, DEPARTMENT OF

2

Medical Care - Payments to Providers

4

6

All Other \$3,347,990

8

Provides funds for Medicaid coverage to noncategorically eligible adults.

10

12

Medical Care - Payments to Providers

14

All Other \$82,468 \$118,347

16

Provides funds due to changes in the asset test used to determine eligibility for medical assistance under the Medicaid program.

18

20

22

Bureau of Health

24

All Other \$410,000 \$10,000

26

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

28

30

32

Bureau of Medical Services

34

Positions - Legislative Count (2,000)

36

Personal Services \$91,558

All Other \$25,000 68,744

38

Total \$25,000 \$160,302

40

Provides funds for one Social Services Program Manager position and one Comprehensive Health Planner II position in fiscal year 2002-03 and related operating costs associated with expanding the access to the Medicaid program.

42

44

46

48

50

H.S.

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

Bureau of Family Independence

2	Positions - Legislative Count		(9,000)
4	Personal Services		\$364,656
	All Other		76,500
6			<hr/>
8	Total		\$441,156
10	Provides funds for 7 Family Independence Specialist positions, one Family Independence Unit Supervisor position and one Clerk Typist II position in fiscal year 2002-03 and related operating costs associated with expanding the access to the Medicaid program.		

20	DEPARTMENT OF HUMAN SERVICES		
	TOTAL	<hr/>	<hr/>
		\$117,468	\$4,077,795

22 **Sec. A-7. Allocation.** The following funds are allocated from
 24 the Federal Expenditures Fund to carry out the purposes of this
 26 Part.

		2001-02	2002-03
--	--	----------------	----------------

HUMAN SERVICES, DEPARTMENT OF

Medical Care - Payments to Providers

34	All Other		\$6,669,932
----	-----------	--	-------------

36 Provides funds for the federal match for Medicaid
 38 coverage to noncategorically eligible adults.

Medical Care - Payments to Providers

44	All Other	\$163,448	\$235,772
----	-----------	-----------	-----------

46 Provides funds for the federal match due to changes
 48 in the asset test used to determine eligibility for

HOUSE AMENDMENT

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

2 medical assistance under the
3 Medicaid program.

4 **Bureau of Medical Services**

6	Positions - Legislative Count		(2,000)
	Personal Services		91,558
8	All Other	\$25,000	\$68,744
10	Total	<u>\$25,000</u>	<u>\$160,302</u>

12 Provides funds for one Senior
13 Medical Claims Adjuster
14 position and one Social
15 Services Program Specialist I
16 position in fiscal year
17 2002-03 and related operating
18 costs associated with
19 expanding the access to the
20 Medicaid program.

22 **Bureau of Family Independence**

24	Positions - Legislative Count		(9,000)
	Personal Services		\$364,656
26	All Other		76,500
28	Total		<u>\$441,156</u>

30 Provides funds for 6 Family
31 Independence Specialist
32 positions, 2 Family
33 Independence Unit Supervisor
34 positions and one Clerk
35 Typist II position in fiscal
36 year 2002-03 and related
37 operating costs associated
38 with expanding the access to
39 the Medicaid program.

40	DEPARTMENT OF HUMAN SERVICES		
42	TOTAL	<u>\$188,448</u>	<u>\$7,507,162</u>

44 **PART B**

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

48 §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. The department shall provide support for federally qualified centers as follows:

A. Seventy-five thousand dollars in fiscal years 2001-02 and 2002-03 as the state Medicaid match to contract for Medicaid outstationing services at federally qualified health centers; and

B. Six hundred ninety-nine thousand, one hundred fifty dollars in fiscal year 2001-02 to federally qualified health center grantees to support the infrastructure of these programs in providing primary care services to underserved populations. Forty-four thousand, two hundred fifty dollars must be provided to each grantee with an additional \$8,850 for the 2nd and each additional site operated by a grantee. For the purposes of this paragraph, "site" means a site or sites operated by the grantee within its scope of service that meet all health center requirements, including providing primary care services, regardless of patients' ability to pay, 5 days a week with extended hours. If there is not sufficient funding to meet the formula in this paragraph, the \$699,150 must be allocated in proportion to the formula outlined in this paragraph.

2. Restriction. Funding provided under this section may not supplant other sources of funding.

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

§3192. Affordable Health Care Fund

The Affordable Health Care Fund is established to assist individuals with the costs of participation in community health access programs. The fund is a nonlapsing fund and any excess funds may be used only for the purposes of this section. The fund may be used only to subsidize the costs of community health 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
2		
4 HUMAN SERVICES, DEPARTMENT OF		
6 Bureau of Medical Services		
8 All Other	\$75,000	\$75,000
10 Provides funds to contract		
12 for Medicaid outstationing		
14 services at federally		
16 qualified health centers and		
federally qualified		
look-alikes.		
18 Bureau of Health		
20 All Other	\$699,150	
22 Provides funds to support the		
24 primary care infrastructure		
26 of federally qualified health		
centers providing health care		
services to underserved		
populations.		
28 Affordable Health Care Fund		
30 All Other	\$50,000	
32 Provides funds to establish		
34 the Affordable Health Care		
36 Fund to provide subsidies for		
individuals enrolled in		
community health access		
programs.		
40 DEPARTMENT OF HUMAN SERVICES		
TOTAL	\$824,150	\$75,000

42 Sec. B-4. Allocation. The following funds are allocated from
44 the Federal Expenditures Fund to carry out the purposes of this
46 Part.

	2001-02	2002-03
48 HUMAN SERVICES, DEPARTMENT OF		
50 Bureau of Medical Services		

HOUSE AMENDMENT

2 All Other \$75,000 \$75,000
 4
 6 Provides funds for the
 8 federal match to contract for
 10 Medicaid outstationing
 12 services at federally
 14 qualified health centers and
 16 federally qualified
 18 look-alikes.

PART C

Sec. C-1. Waiver application for noncategorically eligible adults.

By March 1, 2002, the Department of Human Services shall apply for a waiver from the federal Health Care Financing Administration to provide coverage for noncategorically eligible adults 20 to 64 years of age pursuant to the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph F.

Sec. C-2. MaineCare program.

Beginning January 1, 2002, when the Department of Human Services or other state departments print new materials pertaining to the Medicaid program or the Cub Care program, reference to the program must be stated as the MaineCare program. Beginning July 1, 2002, the coverage that was provided under the Medicaid program and the Cub Care program on June 30, 2002 will be provided under the new name, the MaineCare program. Beginning July 1, 2002, all funding appropriated or allocated for expenditure under the Medicaid program or the Cub Care program is appropriated or allocated under the MaineCare program, all contractual arrangements of the Medicaid program and the Cub Care program remain in effect and all assets, liabilities and responsibilities of the department with regard to the Medicaid program and the Cub Care program are transferred to the MaineCare program. Before January 1, 2002, the department shall report to the Joint Standing Committee on Health and Human Services on legislation and other action necessary to complete the transfer of names of the Medicaid program and the Cub Care program. The department is authorized to submit legislation to the Second Regular Session of the 120th Legislature to complete the transfer of names and functions to the MaineCare program.

Sec. C-3. Appropriation.

The following funds are appropriated from the General Fund to carry out the purposes of this Part.

2001-02

RMS

HUMAN SERVICES, DEPARTMENT OF

2

4 Bureau of Medical Services

6 All Other \$49,500

8 Provides funds to change the name of all
10 Medicaid and Cub Care programs to the
MaineCare program.

12 **Sec. C-4. Allocation.** The following funds are allocated from
14 the Federal Expenditures Fund to carry out the purposes of this
Part.

16 2001-02

18 HUMAN SERVICES, DEPARTMENT OF

20 Bureau of Medical Services

22 All Other \$49,500

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

28

PART D

30

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

32

§4366-D. Additional cigarette tax

34

36 **1. Additional tax imposed.** Beginning October 1, 2001, an
additional tax is imposed of 3 mills for each cigarette imported
38 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
40 imposed under section 4365 and collected and administered in the
same manner as the tax under that section.

42

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

50

H. 918

2
4
6
8
10
12
14
16
18
20
22
24
26
28
30
32
34
36
38
40
42
44
46
48

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.'

FISCAL NOTE

	2001-02	2002-03
APPROPRIATIONS/ALLOCATIONS		
General Fund	\$991,118	\$4,152,795
Other Funds	312,948	7,582,162
REVENUES		
General Fund	\$3,560,759	\$5,642,254
Other Funds	317,718	7,589,807

This amendment increases the tax on cigarettes to increase General Fund revenue that will offset the cost of the appropriations included in the bill. This amendment also makes adjustments to the appropriation and allocation sections of the bill, resulting in a decrease in the General Fund appropriations

in the bill by \$6,919,833 in fiscal year 2001-02 and \$11,852,430 in fiscal year 2002-03.

The increase in the cigarette tax will increase General Fund revenue by \$3,472,000 in fiscal year 2001-02 and \$5,500,000 in fiscal year 2002-03. The increased cigarette price will also increase sales tax collections by \$93,529 in fiscal year 2001-02 and \$149,899 in fiscal year 2002-03. The increase of these tax collections will increase the amounts transferred to the Local Government Fund for state-municipal revenue sharing in those fiscal years by \$4,770 and \$7,645, respectively. The resulting net increase of General Fund revenue will be \$88,759 in fiscal year 2001-02 and \$142,254 in fiscal year 2002-03.

SUMMARY

This amendment eliminates the repeal of the net operating loss carry back and relies on the increase in cigarette tax of 3 mills effective October 1, 2002 to fund the costs of the bill. This amendment provides for Medicaid eligibility coverage of noncategorically eligible adults with an income up to 100% of the federal nonfarm poverty line and up to 125% of the federal poverty level if funds are available.

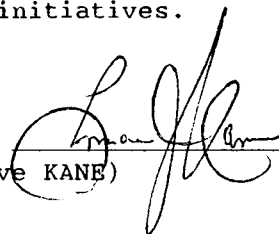
It provides for an enrollment period in the Cub Care program of 12 months.

It provides for asset exemptions in the Medicaid program for adults for certain 2nd vehicles and certain savings accounts.

It directs the Department of Human Services, Bureau of Health to undertake an initiative to expand access to primary and preventative health care. It appropriates \$714,150 in fiscal year 2001-02 and \$75,000 in fiscal year 2002-03 for the support of the federally qualified health centers. Because some of this funding will be used for Medicaid match to federal funds, the bill also allocates matching federal funding.

It establishes the Maine Health Access Fund to receive funds from the tobacco tax increase and allocates those funds to health care expansion initiatives.

SPONSORED BY:
(Representative KANE)



TOWN: Saco