

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

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Legislative Document

No. 1706

S.P. 548

In Senate, March 20, 2001

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### **An Act to Reduce the Cost of Administration of the Medicaid Program.**

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Reference to the Committee on Health and Human Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator MARTIN of Aroostook.  
Cosponsored by Senator DAGGETT of Kennebec.

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

4 **Sec. 1. 22 MRSA §258** is enacted to read:

6 **§258. Medical claims administration**

8 The department may not develop or purchase a claims  
10 processing system for the administration of medical claims under  
12 the Medicaid program unless the department demonstrates that the  
14 development and use of the system would result in actual overall  
16 cost savings to the State.

18 **SUMMARY**

20 The Department of Human Services is considering development of an in-house capability to process medical claims. The bill requires the Department of Human Services to demonstrate that development of such a system would result in cost savings to the State.