



# **122nd MAINE LEGISLATURE**

### FIRST REGULAR SESSION-2005

Legislative Document

No. 32

H.P. 35

House of Representatives, January 6, 2005

## **Resolve, To Reestablish the Health Care System and Health Security Board**

(EMERGENCY)

Reported by Representative PERRY of Calais for the Health Care System and Health Security Board pursuant to Public Law 2001, chapter 439, Pt. ZZZ, as amended by Public Law 2003, chapter 492.

Reference to the Committee on Insurance and Financial Services suggested and ordered printed under Joint Rule 218.

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MILLICENT M. MacFARLAND Clerk **Emergency preamble. Whereas,** acts and resolves of the 2 Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Health Care System and Health Security Board established in Public Law 2001, chapter 439 has determined that additional work is needed to monitor current health care reform efforts before making a final recommendation on a single-payer health care plan; and

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Whereas, the board has completed substantial work to 12 determine the feasibility of a single-payer health care plan for this State; and

Whereas, the board intends to make recommendations to implement a single-payer health care plan if other reform efforts are not successful;

Whereas, universal health care coverage for all Maine 20 citizens must be achieved as soon as possible; and

22 Whereas, the board has adequate funds to support its activities; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore, be it

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Sec. 1. Board reestablished. Resolved: That the Health Care System and Health Security Board, which was originally established in Public Law 2001, chapter 439, Part ZZZ and referred to in this resolve as "the board," is reestablished. The board consists of 20 members as follows:

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

40 B. The Executive Director of the State Employee Health Commission or the director's designee;

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C. The State Tax Assessor or the assessor's designee;

D. Two members of the Senate appointed by the President of the Senate with preference to members of the joint standing committee of the Legislature having jurisdiction over health and human services matters, the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the

Legislature having jurisdiction over insurance and financial 2 services matters; 4 Е. Two members of the House of Representatives appointed by the Speaker of the House of Representatives with preference 6 members of the joint standing committee to of the Legislature having jurisdiction over health and human 8 services matters, the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the 10 Legislature having jurisdiction over insurance and financial 12 services matters; 14 F. A representative of each of the following, appointed by the President of the Senate: 16 (1) A statewide organization that advocates universal 18health care; 20 (2) A statewide organization that defends the rights of children; 22 statewide organization representing (3) Α health insurers and health maintenance organizations; 24 26 (4) Health care economists; 28 (5) A statewide organization of physicians; and 30 (6) Small hospitals in the State; and 32 A representative of each of the following, appointed by G. the Speaker of the House: 34 A statewide organization that represents Maine (1)36 senior citizens; 38 (2) A statewide labor organization; 40 (3) A statewide organization of nurses; 42 (4) Large hospitals in the State; 44 (5) The business community; 46 (6) An organization representing the self-employed; and 48 (7) The public; and be it further

Page 2-LR0139(1)

Sec. 2. Chairs. Resolved: That the first-named Senate member is the Senate chair and the first-named House member is the House chair of the board. The Senate and House chairs may continue to serve until successors are appointed; and be it further

Sec. 3. Members; appointments; meetings. Resolved: That those 6 members serving on the Health Care System and Health Security Board established by Public Law 2001, chapter 439, Part ZZZ on 8 November 1, 2004 continue to serve unless they submit their resignations to the chairs. All appointments for vacancies to 10 the board as of November 1, 2004 must be made no later than 30 12 days following the effective date of this resolve. Appointed members may continue to serve until their successors are 14 appointed. The chairs shall call and convene meetings of the board as necessary; and be it further

Sec. 4. Board purpose. Resolved: That the purpose of the board is to develop recommendations to provide health care coverage to all citizens of this State through a single-payer health care plan that emphasizes access to comprehensive, preventive and long-term care; quality; cost containment; and choice of provider; and be it further

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24 Sec. 5. Duties of board. Resolved: That the board has the following duties.

A. In developing a proposal to implement a single-payer
 plan to provide health care coverage to all citizens of this State, the board shall make recommendations related to
 standards for:

32 (1) Eligibility for coverage under the plan for residents of this State, including a requirement that
34 residents must apply for an identification card to enroll in the plan, responsibility for collection from
36 individuals and insurance companies and reimbursement for providers in the State;

The types of health care services covered under (2) the plan. The plan must provide coverage for health 40 care services from a provider within the State if those services are determined medically necessary by the 42 provider for the patient, except that the plan may not 44 provide cosmetic services. Copayments may be charged only as charged under current MaineCare coverage. 46 Deductibles may not be charged to plan enrollees. The plan must be at least as inclusive as MaineCare 48 coverage. This paragraph does not preclude supplemental coverage for insurance services that are

not medically necessary. Covered health care must include all services and providers for which coverage is mandated under the Maine Revised Statutes, Title 24-A and must include all coverage offered by the MaineCare program;

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A system for the delivery of health care services (3) throughout the State. Covered health care services must 8 provided to plan enrollees by participating be providers who are located within the State and who are 10 chosen by plan enrollees. The plan must pay for health care services provided to a plan enrollee while the 12 enrollee is temporarily outside the State. The maximum 14 period of time a plan enrollee may be covered while out of state is 90 days per year. A plan enrollee may qualify to begin services out of state but, in order to 16 receive continued treatment, may be required to receive treatment within the State. Reimbursement for services 18 rendered out of state must be at rates set by the board. A participating provider may not charge plan 20 enrollees or 3rd parties for covered health care services in excess of the amount reimbursed to that 22 provider by the plan. A participating provider may not 24 refuse to provide services to a plan enrollee on the basis of health status, medical condition, previous 26 insurance status, race, color, creed, age, national origin, citizenship status, gender, sexual orientation, 28 disability or marital status;

30 The role of other health care programs, including, (4) but not limited to, the following programs: the 32 Medicare program of the federal Social Security Act, Title XVIII; the Medicaid program of the federal Social 34 Security Act, Title XIX; the civilian health and medical program as referred to in 10 United States Code, Sections 1071 to 1106; the federal Indian Health 36 Care Improvement Act, 25 United States Code, Sections 38 1601 to 1682; the statewide plan provided through Dirigo Health; other 3rd party payers who may be 40 billable for health care services; and any state and local health programs, including, but not limited to, 42 workers' compensation and employers' liability insurance pursuant to the Maine Revised Statutes, Title 44 39-A; and

46 (5) Other issues such as: 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

#### Page 4-LR0139(1)

providers of services and pharmaceuticals; developing budgets with hospitals and institutional providers; administration of revenues of the plan; employment of necessary staff to implement the plan; development of plans and funding for training and assistance of health care workers displaced by the State's moving to a single-payer health care plan; addressing the unique issues related to the delivery of a single-payer health care plan among the State's border communities and the impact on providers and residents of those communities; and conducting public hearings annually or more frequently regarding resource allocation, revenues and services;

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Β. The board shall examine funding for the single-payer 16 plan from a combination of sources, including payments from government sources, including federal, state and other 18 governmental health care and aid programs; payments from workers' compensation, pension and health insurance employee 20 benefit plans; payments from state, county and municipal governmental units for coverage; payments from tobacco settlement funds; and payment from any taxes or fees based 22 on the results of the feasibility study prepared under contract with the board in December 2002; 24

 C. The board shall stress prevention of disease and maintenance of health in developing proposals to implement
 the single-payer plan and shall attempt to retain and strengthen existing health care facilities whenever possible
 in developing those proposals; and

D. The board shall evaluate current health care reform efforts, including but not limited to Dirigo Health, and may examine any other issues or gather information as necessary to fulfill its purpose and duties; and be it further

Sec. 6. Staff assistance. Resolved: That upon approval of the Legislative Council, the Office of Policy and Legal Analysis may provide necessary staffing services to the board. The board may also contract with and retain staffing and technical assistance from a health policy organization; and be it further

Sec. 7. Funding. Resolved: That the board may seek and accept outside funding through the public or private sector to advance its work and support its activities. Any unexpended funds allocated to the board as of November 1, 2004 must be carried forward for use by the board and may not lapse. Funds may not be appropriated from the General Fund to support any activity of the board, nor may expenses exceed available funding; and be it further 2 Sec. 8. Compensation. Resolved: That those members of the board who are Legislators are entitled to receive the legislative 4 per diem as defined in the Maine Revised Statutes, Title 3, section 2 and reimbursement for travel and other necessary 6 expenses related to their attendance at meetings of the board. Public members not otherwise compensated by their employers or 8 other entities whom they represent are entitled to receive reimbursement of necessary expenses and, upon demonstration of 10 financial hardship, a per diem equal to the legislative per diem for their attendance at meetings of the board; and be it further

Sec. 9. Report. Resolved: That the board shall develop 14 recommendations regarding the implementation of a single-payer plan to provide health care coverage to all citizens of this State and shall submit its final report, together with any 16 necessary implementing legislation, to the Second Regular Session 18of the 122nd Legislature by November 1, 2006. If the board requires an extension of time to make its report, it may apply to 20 the Legislative Council, which may grant the extension. Upon submission of the final report, the board may not take further 22 action unless further action is authorized by law.

**Emergency clause.** In view of the emergency cited in the preamble, this resolve takes effect when approved.

### SUMMARY

30 This resolve reestablishes the Health Care System and Health Security Board, which was originally established in Public Law 2001, chapter 439, through the next biennium of the Legislature. The bill requires that the board submit a final report by November 1, 2006 to the 122nd Legislature. The bill allows those members serving on the board as of November 1, 2004 to continue as members. It also preserves any unexpended funds allocated to the board for use to pay future expenses.

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