

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
124TH LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to H.P. 883,
L.D. 1264, Bill, "An Act To Stabilize Funding and Enable DirigoChoice To Reach More
Uninsured"

Amend the amendment on page 1 by striking out all of lines 17 to 20 and inserting
the following:

'Amend the bill by striking out all of section 6 and inserting the following:

'Sec. 6. Changes to Dirigo Health. The Board of Trustees of Dirigo Health, or
"the board," shall implement the following changes to Dirigo Health effective for all
annual contracts offered or renewed after June 30, 2010:

1. Vouchers. Coverage may be subsidized only through sliding scale vouchers that
provide eligible households access to a range of insurance products with choices from
multiple carriers and varied plans that meet standards approved by the board;

2. Asset test. The board may not provide subsidies to any household with a net
worth exceeding \$50,000;

3. Eligibility. The board may enroll as new members only those who have been
uninsured for at least 6 months before acquiring coverage subsidized by Dirigo Health;

4. Underwriting. Carriers whose products qualify for subsidies may offer coverage
that imposes a 6-month waiting period for preexisting medical conditions; and

5. Policies. The board must apply its revenue allotted to Dirigo Health to implement
the following policies:

- A. To develop and offer more affordable products;
- B. To reduce subsidies in order to cover more households at lesser cost;
- C. To emphasize preventive care and disease management over member asset protection;
- D. To improve population health;
- E. To reduce health care costs throughout the State's health care market; and
- F. To maximize the use of federal initiatives available through Medicaid and national health reforms.

SENATE AMENDMENT

1 The board shall report by March 1, 2010 to the Joint Standing Committee on
2 Insurance and Financial Services on changes that will be made to the Dirigo Health
3 Program as directed by this section.'

4 **SUMMARY**

5 This amendment directs the Board of Trustees of Dirigo Health to change Dirigo
6 Health effective June 30, 2010 in the following ways:

- 7 1. Adopt sliding scale vouchers to provide households with access to a range of
8 approved insurance products;
- 9 2. Deny subsidies to households with assets exceeding \$50,000;
- 10 3. Enroll as new members only those who have been uninsured for at least 6 months;
- 11 4. Allow carriers to impose a 6-month waiting period for preexisting conditions; and
- 12 5. Adopt policies to offer more affordable products, spread subsidies over more
13 households, emphasize preventive care and disease management, improve population
14 health, reduce costs in the State's health care market and maximize federal initiatives.

15 **SPONSORED BY:** _____

16 (Senator MILLS, P.)

17 **COUNTY: Somerset**

FISCAL NOTE REQUIRED
(See attached)



124th MAINE LEGISLATURE

LD 1264

LR 1932(04)

An Act To Stabilize Funding and Enable DirigoChoice To Reach More Uninsured

Fiscal Note for Senate Amendment "B" to Committee Amendment "A"

Sponsor: Sen. Mills of Somerset

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium savings - Dirigo Health Fund

Fiscal Detail and Notes

The realization of potential savings will depend on actions taken by the Dirigo Health Board affecting annual contracts offered or renewed after June 30, 2010.