



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1582

H.P. 1165

House of Representatives, June 7, 2011

Resolve, Creating the Advisory Committee on Maine's Health Insurance Exchange

(EMERGENCY)

Reported by Representative RICHARDSON of Warren for the Joint Standing Committee on Insurance and Financial Services pursuant to Joint Order, H.P. 1162.

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HEATHER J.R. PRIEST Clerk

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

Whereas, to be eligible for health insurance exchange funding, the Federal Government requires the states to make substantial progress in the following core areas: background research; stakeholder consultation; legislative and regulatory action; governance; program integration; exchange information technology systems; financial management; oversight and program integrity; health insurance market reforms; providing assistance to individuals and small businesses, coverage appeals and complaints; and business operation; and

10 **Whereas,** the deadlines for applying for the next round of federal funding are 11 September 30, 2011 and December 31, 2011; 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

16 Sec. 1. Advisory Committee on Maine's Health Insurance Exchange 17 established. Resolved: That the Advisory Committee on Maine's Health Insurance 18 Exchange, referred to in this resolve as "the advisory committee," is established to 19 develop and provide recommendations, including suggested enabling legislation, to the 20 Governor and the Legislature for a health insurance exchange that addresses the core 21 areas specified by the Federal Government and consider the views of the health care 22 industry and other stakeholders; and be it further

23 Sec. 2. Membership of the advisory committee. Resolved: That the 24 advisory committee consists of no more than 9 members appointed by the Governor, after 25 consultation with the chairs and lead minority members of the Joint Standing Committee on Insurance and Financial Services. The Governor shall appoint members that represent 26 27 the diverse interests of stakeholders related to the establishment of a health insurance 28 exchange. The members must include representatives of key constituencies, including, 29 but not limited to, health care providers, insurers, health insurance producers, consumers, employers with more than 50 employees, employers with 50 or fewer employees and the 30 31 Board of Trustees of Dirigo Health. Prior to making appointments to the advisory committee, the Governor shall seek nominations from statewide associations representing 32 33 the interests of stakeholders identified in this section and other entities as appropriate; and 34 be it further

- Sec. 3. Chair. Resolved: That the Governor shall appoint a chair from among
 the members of the advisory committee; and be it further
- 37 Sec. 4. Duties of the advisory committee. Resolved: That the advisory
 38 committee shall:
- Review and consider the recommendations issued by the 124th Legislature's Joint
 Select Committee on Health Care Reform with respect to a health insurance exchange;

- Consider the rules issued by the Federal Government subsequent to the passage of
 the Patient Protection and Affordable Care Act and their impact on the creation and
 operations of a health insurance exchange;
- 4 3. In an effort to create efficiencies, review the work products of other states to 5 consider what elements of their health insurance exchange activities might be used in this 6 State;
- 4. Establish technical committees or seek the advice of technical experts when
 necessary to execute the duties included in this resolve; and

5. Seek input from and report regularly to legislative leadership, the Joint Standing
Committee on Insurance and Financial Services and the Governor's office throughout the
advisory committee's deliberations; and be it further

- Sec. 5. Meetings. Resolved: That meetings of the advisory committee must be conducted in public in accordance with the Maine Revised Statutes, Title 1, chapter 13. The advisory committee shall provide notice of its meetings to the Joint Standing Committee on Insurance and Financial Services; and be it further
- 16 Sec. 6. Consultation with Legislature. Resolved: That the Joint Standing 17 Committee on Insurance and Financial Services is authorized to hold 3 meetings before 18 the Second Regular Session of the 125th Legislature for the purpose of consulting with 19 the advisory committee; and be it further
- 20 Sec. 7. Staffing. Resolved: That Dirigo Health shall provide staffing services to 21 the advisory committee. As necessary, the Department of Professional and Financial 22 Regulation, Bureau of Insurance; the Department of Administrative and Financial 23 Services, Office of Information Technology; the Department of Health and Human 24 Services; and the State Coordinator for Health Information Technology shall also provide 25 staffing assistance to the advisory committee; and be it further
- 26 Sec. 8. Report. Resolved: That the advisory committee shall submit a report, 27 including its recommendations and suggested legislation, to the Governor and the Joint 28 Standing Committee on Insurance and Financial Services no later than September 1, 29 2011.
- 30 **Emergency clause.** In view of the emergency cited in the preamble, this 31 legislation takes effect when approved.
- 32 SUMMARY
- This resolve is reported out pursuant to joint order by the Joint Standing Committee on Insurance and Financial Services. The resolve creates the Advisory Committee on Maine's Health Insurance Exchange. The charge of the advisory committee is to make recommendations to the Legislature and to the Governor on courses of action to ensure

1 federal funding for the creation of a health insurance exchange and to provide draft 2 enabling legislation for the creation of a health insurance exchange.

3	FISCAL NOTE REQUIRED
4	(See attached)



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LD 1582

LR 2186(01)

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Fiscal Note for Original Bill Committee: Insurance and Financial Services Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Legislative Cost/Study Minor cost increase - General Fund Minor cost increase - Other Special Revenue Funds Minor cost increase - Federal Expenditure Funds

Legislative Cost/Study

The costs for the 3 interim committee meetings required in this resolve are projected to be \$4,875 in fiscal year 2011-12. The Legislature's proposed budget includes \$10,000 in fiscal year 2011-12 for legislative studies. Whether the amount is sufficient to fund all studies will depend on the number of studies authorized by the Legislative Council and the Legislature.

Fiscal Detail and Notes

The additional costs to the Department of Health and Human Services, the Department of Administrative and Financial Services, and the Bureau of Insurance in the Department of Professional and Financial Regulation can be absorbed utilizing existing budgeted resources. Additional costs to the Dirigo Health Agency can be absorbed within existing federal grant funds from State Planning and Establishment Grants for the Affordable Care Act's Exchanges.