

MAINE STATE LEGISLATURE

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L.D. 1816

Date: 2-16-12

(Filing No. H-707)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
125TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "D" to H.P. 1339, L.D. 1816, Bill, "An Act To Implement the Recommendations of the Streamline and Prioritize Core Government Services Task Force for the Fiscal Years Ending June 30, 2012 and June 30, 2013 and To Make Certain Other Allocations and Appropriations and Changes to the Law Necessary to the Operation of State Government"

Amend the bill by striking out all of Part X (page 81, lines 1 to 28 in L.D.)

Amend the bill in Part M in section 1 in that part designated "HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)" in the 23rd occurrence of that part relating to "Medical Care - Payments to Providers 0147" by striking out the initiative (page 72, lines 26 to 29 in L.D.) and inserting the following:

'Initiative: Reduces funding as a result of a one-time transfer from the Dirigo Health Fund to the Medical Care - Payments to Providers program as a result of reducing eligibility for Medicaid services for parents with a maximum income of 200% to a maximum income of 133% of the nonfarm income official poverty line effective October 1, 2012.'

Amend the bill in Part Z in section 1 in §6914 in the 3rd paragraph in the 2nd line (page 82, line 28 in L.D.) by striking out the following: "\$7,210,000" and inserting the following: '\$2,397,939'

Amend the bill in Part Z by striking out all of section 2.

Amend the bill in Part BB by inserting after section 2 the following:

'Sec. BB-3. Transition of categorically eligible individuals. In recognition of the expiration on December 31, 2013 of the federal waiver for the MaineCare childless adult waiver program, the Department of Health and Human Services, in accordance with federal requirements, shall submit a plan by June 30, 2013 to transition categorically eligible individuals who are enrolled in the program to available MaineCare coverage options by December 31, 2013.'

Amend the bill in Part II in section 1 in Sec. JJJ-1 in the 3rd line (page 86, line 10 in L.D.) by striking out the following: "\$102,000,000" and inserting the following: '\$103,500,000'

HOUSE AMENDMENT

HAS

1 Amend the bill in Part II in section 1 in Sec. JJJ-1 in the 5th line (page 86, line 12 in
2 L.D.) by striking out the following: "\$102,000,000" and inserting the following:
3 '\$103,500,000'

4 Amend the bill by inserting after Part II the following:

5 **'PART JJ**

6 **Sec. JJ-1. 36 MRSA §2896** is enacted to read:

7 **§2896. Hospital assessment; 2012-2013**

8 **1. Assessment.** For state fiscal year 2012-13, an assessment is imposed against each
9 hospital in the State. The assessment is equal to 0.39% of net operating revenue as
10 identified on the hospital's most recent audited financial statement for the hospital's fiscal
11 year that ended during calendar year 2008.

12 **2. Return required.** A person subject to the assessment imposed under this section
13 shall submit to the assessor a return on a form prescribed and furnished by the assessor.
14 The assessment is payable in 2 payments. The first payment is due by September 30,
15 2012. The 2nd payment is due by March 30, 2013.

16 **3. Application of revenues.** All revenues received by the assessor under subsection
17 1 must be credited to the General Fund.

18 **PART KK**

19 **Sec. KK-1. Appropriations and allocations.** The following appropriations and
20 allocations are made.

21 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

22 **Medical Care - Payments to Providers 0147**

23 Initiative: Provides funding to restore the 3% reduction in funding to certain institutes for
24 mental disease.

25	GENERAL FUND	2011-12	2012-13
26	All Other	\$70,000	\$280,000
27			
28	GENERAL FUND TOTAL	<u>\$70,000</u>	<u>\$280,000</u>

29	FEDERAL EXPENDITURES FUND	2011-12	2012-13
30	All Other	\$120,580	\$482,320
31			
32	FEDERAL EXPENDITURES FUND TOTAL	<u>\$120,580</u>	<u>\$482,320</u>

33 **Medical Care - Payments to Providers 0147**

2013

HOUSE AMENDMENT "D" to H.P. 1339, L.D. 1816

1 Initiative: Provides funding to allow for reimbursement to hospitals when a MaineCare
2 patient is subsequently readmitted to the hospital from 3 days to 14 days following an
3 inpatient admission for the same diagnosis.

4	GENERAL FUND	2011-12	2012-13
5	All Other	\$170,190	\$907,680
6			
7	GENERAL FUND TOTAL	<u>\$170,190</u>	<u>\$907,680</u>

8	FEDERAL EXPENDITURES FUND	2011-12	2012-13
9	All Other	\$294,842	\$1,563,418
10			
11	FEDERAL EXPENDITURES FUND TOTAL	<u>\$294,842</u>	<u>\$1,563,418</u>

12 **Medical Care - Payments to Providers 0147**

13 Initiative: Restores funding reduced in this Act for outpatient services at acute care
14 hospitals.

15	GENERAL FUND	2011-12	2012-13
16	All Other	\$0	\$3,180,269
17			
18	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$3,180,269</u>

19	FEDERAL EXPENDITURES FUND	2011-12	2012-13
20	All Other	\$0	\$5,478,236
21			
22	FEDERAL EXPENDITURES FUND TOTAL	<u>\$0</u>	<u>\$5,478,236</u>

23 **Medical Care - Payments to Providers 0147**

24 Initiative: Restores funding reduced in this Act from reducing reimbursement for critical
25 access hospitals from 109% to 105%.

26	GENERAL FUND	2011-12	2012-13
27	All Other	\$290,834	\$1,179,804
28			
29	GENERAL FUND TOTAL	<u>\$290,834</u>	<u>\$1,179,804</u>

HOUSE AMENDMENT

2 of 3

HOUSE AMENDMENT "D" to H.P. 1339, L.D. 1816

1	FEDERAL EXPENDITURES FUND	2011-12	2012-13
2	All Other	\$503,794	\$1,987,455
3			
4	FEDERAL EXPENDITURES FUND TOTAL	<u>\$503,794</u>	<u>\$1,987,455</u>

5 **Medical Care - Payments to Providers 0147**
6 Initiative: Restores funding reduced in this Act from limiting reimbursement for hospital
7 admissions to 5 per member per year.

8	GENERAL FUND	2011-12	2012-13
9	All Other	\$91,890	\$490,081
10			
11	GENERAL FUND TOTAL	<u>\$91,890</u>	<u>\$490,081</u>

12	FEDERAL EXPENDITURES FUND	2011-12	2012-13
13	All Other	\$159,176	\$825,573
14			
15	FEDERAL EXPENDITURES FUND TOTAL	<u>\$159,176</u>	<u>\$825,573</u>

16 **Medical Care - Payments to Providers 0147**
17 Initiative: Restores funding reduced in this Act from reducing funding for outpatient
18 services at acute care hospitals by 5%, effective July 1, 2012.

19	GENERAL FUND	2011-12	2012-13
20	All Other	\$0	\$3,180,269
21			
22	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$3,180,269</u>

23	FEDERAL EXPENDITURES FUND	2011-12	2012-13
24	All Other	\$0	\$5,357,366
25			
26	FEDERAL EXPENDITURES FUND TOTAL	<u>\$0</u>	<u>\$5,357,366</u>

27 **Medical Care - Payments to Providers 0147**
28 Initiative: Restores funding reduced in this Act from reducing reimbursement for hospital
29 inpatient services by 10%.

HOUSE AMENDMENT

1	GENERAL FUND	2011-12	2012-13
2	All Other	\$768,208	\$3,127,406
3			
4	GENERAL FUND TOTAL	<u>\$768,208</u>	<u>\$3,127,406</u>
5	FEDERAL EXPENDITURES FUND	2011-12	2012-13
6	All Other	\$2,098,929	\$5,268,314
7			
8	FEDERAL EXPENDITURES FUND TOTAL	<u>\$2,098,929</u>	<u>\$5,268,314</u>
9	HEALTH AND HUMAN SERVICES,		
10	DEPARTMENT OF (FORMERLY DHS)		
11	DEPARTMENT TOTALS	2011-12	2012-13
12			
13	GENERAL FUND	\$1,391,122	\$12,345,509
14	FEDERAL EXPENDITURES FUND	\$3,177,321	\$20,962,682
15			
16	DEPARTMENT TOTAL - ALL FUNDS	<u>\$4,568,443</u>	<u>\$33,308,191</u>
17			

18 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
 19 section number to read consecutively.

20 **SUMMARY**

- 21 This amendment:
- 22 1. Reduces from \$7,210,000 to \$2,397,939 the amount of the one-time transfer
 23 required by Dirigo Health in fiscal year 2012-13 to the Medical Care - Payments to
 24 Providers, Other Special Revenue Funds account in the Department of Health and Human
 25 Services for the purpose of providing a state match for federal Medicaid services;
- 26 2. Corrects the stated effective date of the eligibility reduction for Medicaid services
 27 for parents with a maximum income of 200% to a maximum income of 133% of the
 28 nonfarm income official poverty line in the Part M initiative reducing the funding in the
 29 Medical Care - Payments to Providers account as a result of the one-time transfer. The
 30 amendment maintains the amount of the funding reduction in the Part M initiative at
 31 \$7,210,000;
- 32 3. Eliminates the provision that extends the 1.87% access payment to support the
 33 cost of Dirigo Health through June 30, 2013 and allows the rate to decrease to 1.64% on
 34 July 1, 2012 as scheduled;
- 35 4. Requires the Department of Health and Human Services to submit a plan by June
 36 30, 2013 to transition categorically eligible individuals who are enrolled in the
 37 MaineCare childless adult waiver program to available MaineCare coverage options by
 38 December 31, 2013;

HOUSE AMENDMENT



125th MAINE LEGISLATURE

LD 1816

LR 2701(06)

An Act To Implement the Recommendations of the Streamline and Prioritize Core Government Services Task Force for the Fiscal Years Ending June 30, 2012 and June 30, 2013 and To Make Certain Other Allocations and Appropriations and Changes to the Law Necessary to the Operation of State Government

Fiscal Note for House Amendment "D"

Sponsor: Rep. Flood of Winthrop

Fiscal Note Required: Yes

Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	(\$108,878)	(\$328,304)	\$12,345,509	\$9,985,901
Appropriations/Allocations				
General Fund	\$1,391,122	\$12,345,509	\$12,345,509	\$9,985,901
Federal Expenditures Fund	\$3,177,321	\$20,962,682	\$20,962,682	\$20,962,682
Revenue				
General Fund	\$0	\$14,173,813	\$0	\$0
Dirigo Health Fund	\$0	(\$4,812,061)	\$0	\$0
Transfers				
General Fund	\$1,500,000	(\$1,500,000)	\$0	\$0
Other Special Revenue Funds	(\$1,500,000)	(\$3,312,061)	\$0	\$0
Dirigo Health Fund	\$0	\$4,812,061	\$0	\$0

Fiscal Detail and Notes

This amendment reduces the General Fund cost of the bill by \$108,878 in fiscal year 2011-12 and \$328,304 in fiscal year 2012-13. It eliminates the bill's proposed extension of the current 1.87% Dirigo Health access payment rate through June 30, 2013 and allows the rate to decrease to 1.64% on July 1, 2012 as scheduled. It also reduces by \$4,812,061 the bill's one-time transfer from the Dirigo Health Fund to the Medical Care - Payments to Providers program and would result in a reduction in Other Special Revenue Funds resources for the state share of MaineCare costs. This amendment also increases General Fund appropriations in fiscal year 2012-13 to offset reductions in MaineCare payments to hospitals. This General Fund cost is offset by increased revenue from the imposition of a temporary 0.39% hospital assessment beginning July 1, 2012 for hospital fiscal years ending during calendar year 2008 and an increase of \$1,500,000 in the one-day borrowing from Other Special Revenue Funds.