

# MAINE STATE LEGISLATURE

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## Majority

L.D. 1640

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Date: 3/27/14

(Filing No. S- 4(64))

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### HEALTH AND HUMAN SERVICES

4

Reproduced and distributed under the direction of the Secretary of the Senate.

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### STATE OF MAINE

6

### SENATE

7

### 126TH LEGISLATURE

8

### SECOND REGULAR SESSION

9

COMMITTEE AMENDMENT "A" to S.P. 631, L.D. 1640, Bill, "An Act To Enhance the Stability and Predictability of Health Care Costs for Returning Veterans and Others by Addressing the Issues Associated with Hospital Charity Care and Bad Debt"

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Amend the bill by striking out the title and substituting the following:

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**'An Act To Expand MaineCare for Veterans and Low-income Residents'**

14

Amend the bill by striking out everything after the enacting clause and inserting the following:

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#### 'PART A

17

**Sec. A-1. 22 MRSA §3174-G, sub-§1, ¶F**, as amended by PL 2011, c. 380, Pt. KK, §2, is further amended to read:

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F. A person 20 to 64 years of age who is not otherwise covered under paragraphs A to E when the person's family income is below or equal to 125% of the nonfarm income official poverty line, provided that the commissioner shall adjust the maximum eligibility level in accordance with the requirements of the paragraph.

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(2) If the commissioner reasonably anticipates the cost of the program to exceed the budget of the population described in this paragraph, the commissioner shall lower the maximum eligibility level to the extent necessary to provide coverage to as many persons as possible within the program budget.

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(3) The commissioner shall give at least 30 days' notice of the proposed change in maximum eligibility level to 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 health and human services matters; ~~and~~

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**Sec. A-2. 22 MRSA §3174-G, sub-§1, ¶G**, as enacted by PL 2011, c. 380, Pt. KK, §3, is amended to read:

33

## COMMITTEE AMENDMENT

1 G. A person who is a noncitizen legally admitted to the United States to the extent  
2 that coverage is allowable by federal law if the person is:

- 3 (1) A woman during her pregnancy and up to 60 days following delivery; or  
4 (2) A child under 21 years of age;

5 **Sec. A-3. 22 MRSA §3174-G, sub-§1, ¶¶H and I** are enacted to read:

6 H. Beginning July 1, 2014, a person 21 to 64 years of age who is not otherwise  
7 eligible for medical assistance under this section, who qualifies for medical assistance  
8 pursuant to 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) and whose  
9 income is equal to or below 133% of the nonfarm income official poverty line plus  
10 5% for the applicable family size as required by federal law. A person eligible for  
11 medical assistance under this paragraph must receive the same coverage as is  
12 provided to a person eligible under paragraph E; and

13 I. Beginning October 1, 2019, a person 19 or 20 years of age who is not otherwise  
14 eligible for medical assistance under this section, who qualifies for medical assistance  
15 pursuant to 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) and whose  
16 income is equal to or below 133% of the nonfarm income official poverty line plus  
17 5% for the applicable family size as required by federal law. A person eligible for  
18 medical assistance under this paragraph must receive the same coverage as is  
19 provided to a person eligible under paragraph E.

20 **Sec. A-4. Contingent repeal.** The Maine Revised Statutes, Title 22, section  
21 3174-G, subsection 1, paragraphs H and I are repealed upon the earlier of the following:

22 1. The meeting of all of the following conditions:

23 A. The enhanced Federal Medical Assistance Percentage with respect to amounts  
24 expended for medical assistance for newly eligible Medicaid individuals described in  
25 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) is reduced below 100% for  
26 any calendar quarter in 2014, 2015 or 2016;

27 B. The reduction in the enhanced Federal Medical Assistance Percentage described in  
28 paragraph A has taken effect; and

29 C. After the reduction of the enhanced Federal Medical Assistance Percentage as  
30 described in paragraphs A and B, the Legislature has convened and conducted a  
31 session of at least 30 calendar days; and

32 2. December 31, 2016.

33 **PART B**

34 **Sec. B-1. Research organization evaluation.** The Office of Fiscal and  
35 Program Review shall contract with a nonpartisan research organization, referred to in  
36 this section as "the research organization," to study the impact of the MaineCare  
37 expansion authorized in the Maine Revised Statutes, Title 22, section 3174-G, subsection  
38 1, paragraphs H and I on programs and services under this Part that do not currently  
39 receive Federal Medical Assistance Percentage matching funds or do not qualify for  
40 enhanced Federal Medical Assistance Percentage matching funds under the federal

1 Patient Protection and Affordable Care Act, 42 United States Code, Section 18001, et  
2 seq., with the goal of identifying and maximizing General Fund savings. The  
3 Commissioner of Health and Human Services, the Commissioner of Corrections and the  
4 Executive Director of the State Board of Corrections shall provide to the research  
5 organization information and assistance requested for preparation of the evaluation. In  
6 evaluating the programs and services under this Part, the research organization shall at a  
7 minimum evaluate the impact on the following programs and services: the state-funded  
8 Mental Health Services - Community, Office of Substance Abuse and General Assistance  
9 - Reimbursement to Cities and Towns programs; the elderly low-cost drug program under  
10 Title 22, section 254-D; services provided for individuals 21 to 64 years of age who are  
11 currently eligible for MaineCare under the medically needy program; services provided  
12 under the State's demonstration project waiver under Section 1115 of the United States  
13 Social Security Act, 42 United States Code, Section 301, et seq., for individuals with  
14 HIV/AIDS; services provided for parents participating in family reunification activities;  
15 services provided for disabled individuals 21 to 64 years of age with incomes below  
16 139% of the federal poverty level as defined by the federal Department of Health and  
17 Human Services and updated annually in the Federal Register under authority of 42  
18 United States Code, Section 9902(2); services provided to individuals awaiting a  
19 MaineCare disability determination who are subsequently determined disabled; services  
20 provided to individuals who would have been considered eligible on the basis of a  
21 disability but for whom the full determination process was not completed; and medical  
22 services provided to persons in the care and custody of the Department of Corrections or  
23 a county correctional facility. The research organization also shall examine the amount  
24 of payment for services that hospitals received during fiscal years 2014-15 and 2015-16  
25 as a result of the expansion of MaineCare eligibility pursuant to Title 22, section 3174-G,  
26 subsection 1, paragraphs H and I. In addition, the research organization shall evaluate  
27 any savings and the impact on health outcomes achieved through initiatives implemented  
28 pursuant to the state innovation models initiative grant.

29 The research organization shall report twice, no later than February 15, 2015 and  
30 February 15, 2016, respectively, to the joint standing committee of the Legislature having  
31 jurisdiction over appropriations and financial affairs, the joint standing committee of the  
32 Legislature having jurisdiction over health and human services matters and the joint  
33 standing committee of the Legislature having jurisdiction over criminal justice and public  
34 safety matters on the amount of General Fund savings resulting from the MaineCare  
35 expansion authorized in Title 22, section 3174-G, subsection 1, paragraphs H and I and  
36 by the research organization pursuant to this section. The reports must include the  
37 amount of savings expected and realized during fiscal years 2014-15 and 2015-16 by  
38 service area or program, the amount deposited in the MaineCare Stabilization Fund  
39 pursuant to section 3 of this Part and the amount of savings projected to be achieved  
40 through fiscal year 2020-21 by service area or program.

41 **Sec. B-2. Health insurance marketplace report.** The Office of Fiscal and  
42 Program Review shall contract with a nonpartisan research organization to examine the  
43 financial feasibility of providing health care coverage to newly eligible MaineCare  
44 members through a health insurance marketplace in a manner similar to that of Medicaid  
45 expansion coverage in Arkansas or Iowa and the feasibility of establishing a state basic  
46 health program similar to Washington's basic health plan. The Office of Fiscal and  
47 Program Review shall report by February 15, 2015 to the joint standing committee of the

1 Legislature having jurisdiction over health and human services matters regarding the  
 2 feasibility of providing health care coverage to newly eligible MaineCare members  
 3 through a health insurance marketplace in a manner similar to that of Medicaid expansion  
 4 coverage in Arkansas or Iowa and the feasibility of establishing a state basic health  
 5 program similar to Washington's basic health plan.

6 **Sec. B-3. Calculation and transfer.** Notwithstanding any other provision of  
 7 law, the State Budget Officer shall calculate the amount of savings identified in this Part  
 8 that applies against each General Fund account statewide as a result of the expansion of  
 9 MaineCare eligibility authorized in the Maine Revised Statutes, Title 22, section 3174-G,  
 10 subsection 1, paragraphs H and I and shall transfer the amounts up to the amounts  
 11 specified in section 5 of this Part by financial order upon the approval of the Governor.  
 12 These transfers are considered adjustments to appropriations in fiscal year 2014-15. The  
 13 State Controller shall transfer any amounts identified under this Part greater than the  
 14 amounts specified in section 5 of this Part to the MaineCare Stabilization Fund  
 15 established under Title 22, section 3174-KK. The State Budget Officer shall provide a  
 16 report of the transferred amounts to the joint standing committee of the Legislature  
 17 having jurisdiction over appropriations and financial affairs no later than April 30, 2015  
 18 for fiscal year 2014-15 and shall submit adjustments to baseline budget requests totaling  
 19 no less than \$11,800,000 per year to reflect the continuation of the identified savings in  
 20 the 2016-2017 biennium.

21 **Sec. B-4. Review and responsibility.** Following receipt of the reports from the  
 22 research organization as required under section 1 of this Part, the joint standing  
 23 committee of the Legislature having jurisdiction over health and human services matters  
 24 shall review the information provided in the reports and shall determine if the net cost to  
 25 the General Fund of providing coverage under the MaineCare program to individuals  
 26 pursuant to the Maine Revised Statutes, Title 22, section 3174-G, subsection 1,  
 27 paragraphs H and I exceeds the savings to the General Fund, including any amount  
 28 deposited in the MaineCare Stabilization Fund pursuant to section 3 of this Part, due to  
 29 the expansion of coverage for those individuals. Following its review of the report  
 30 received on February 15, 2016 pursuant to section 2 of this Part the joint standing  
 31 committee may report out a bill to the Second Regular Session of the 127th Legislature  
 32 regarding determinations and conclusions of the report.

33 **Sec. B-5. Appropriations and allocations.** The following appropriations and  
 34 allocations are made.

35 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**  
 36 **Executive Branch Departments and Independent Agencies - Statewide 0017**

37 Initiative: Deappropriates funds on a statewide basis for initial savings to be identified  
 38 under this Part in existing state programs that result from the expansion of MaineCare  
 39 eligibility.

40	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
41	Unallocated	\$0	(\$5,900,000)
42		_____	_____

1	GENERAL FUND TOTAL	\$0	(\$5,900,000)
2	<b>ADMINISTRATIVE AND FINANCIAL</b>		
3	<b>SERVICES, DEPARTMENT OF</b>		
4	<b>DEPARTMENT TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
5			
6	GENERAL FUND	\$0	(\$5,900,000)
7			
8	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>(\$5,900,000)</b>
9	<b>LEGISLATURE</b>		
10	<b>Legislature 0081</b>		
11	Initiative: Provides one-time funding for the Office of Fiscal and Program Review to		
12	contract with a nonpartisan research organization to evaluate the impact of the expansion		
13	of MaineCare eligibility.		
14	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
15	All Other	\$0	\$100,000
16			
17	<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$100,000</b>
18	<b>LEGISLATURE</b>		
19	<b>DEPARTMENT TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
20			
21	GENERAL FUND	\$0	\$100,000
22			
23	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$100,000</b>
24	<b>SECTION TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
25			
26	GENERAL FUND	\$0	(\$5,800,000)
27			
28	<b>SECTION TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>(\$5,800,000)</b>

29 **PART C**

30 **Sec. C-1. Appropriations and allocations.** The following appropriations and  
 31 allocations are made.

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

**COMMITTEE AMENDMENT**

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

2 Initiative: Provides funds for the costs of MaineCare coverage through December 31,  
 3 2016, for childless adults at or below 133% of the nonfarm income official poverty line  
 4 plus 5% for the applicable family size as required by federal law.

5	<b>FEDERAL EXPENDITURES FUND</b>	<b>2013-14</b>	<b>2014-15</b>
6	All Other	\$0	\$327,657,166
7			
8	<b>FEDERAL EXPENDITURES FUND TOTAL</b>	<u>\$0</u>	<u>\$327,657,166</u>

9 **Office of Family Independence - District 0453**

10 Initiative: Provides funding for 6 Family Independence Unit Supervisor positions, 13  
 11 Office Assistant II positions and 64 Eligibility Specialist positions in the Office of Family  
 12 Independence - District program and for related All Other costs necessary to implement  
 13 and administer the MaineCare eligibility changes. This assumes the Eligibility Specialist  
 14 positions are funded 25% General Fund and 75% Other Special Revenue Funds and the  
 15 other positions are funded 50% General Fund and 50% Other Special Revenue Funds.

16	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
17	POSITIONS - LEGISLATIVE COUNT	0.000	83.000
18	Personal Services	\$0	\$1,909,557
19	All Other	\$0	\$95,105
20			
21	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>\$2,004,662</u>

22	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2013-14</b>	<b>2014-15</b>
23	Personal Services	\$0	\$4,325,301
24	All Other	\$0	\$381,651
25			
26	<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<u>\$0</u>	<u>\$4,706,952</u>

27 **Office of MaineCare Services 0129**

28 Initiative: Provides funding for the one-time costs of changes to the Maine Integrated  
 29 Health Management Solution and the Automated Client Eligibility System as a result of  
 30 expanding MaineCare eligibility.

31	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
32	All Other	\$0	\$110,539
33			
34	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>\$110,539</u>

1	<b>FEDERAL EXPENDITURES FUND</b>	<b>2013-14</b>	<b>2014-15</b>
2	All Other	\$0	\$994,852
3			
4	FEDERAL EXPENDITURES FUND TOTAL	\$0	\$994,852
5	<b>HEALTH AND HUMAN SERVICES,</b>		
6	<b>DEPARTMENT OF (FORMERLY DHS)</b>		
7	<b>DEPARTMENT TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
8			
9	<b>GENERAL FUND</b>	\$0	\$2,115,201
10	<b>FEDERAL EXPENDITURES FUND</b>	\$0	\$328,652,018
11	<b>OTHER SPECIAL REVENUE FUNDS</b>	\$0	\$4,706,952
12			
13	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$335,474,171

14 **PART D**

15 **Sec. D-1. Written notices required regarding MaineCare coverage.** At the  
 16 time of enrolling in the MaineCare program a member who is eligible under the Maine  
 17 Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H or I, the  
 18 Department of Health and Human Services shall provide written notice that is readable at  
 19 the 6th-grade reading level to the member that the member's MaineCare coverage will  
 20 end no later than December 31, 2016 unless a law is passed to extend coverage past that  
 21 date.'

22 **SUMMARY**

23 This amendment replaces the concept draft. The amendment contains the following  
 24 provisions.

25 Part A expands medical coverage under the MaineCare program to adults who  
 26 qualify under federal law with incomes up to 133% of the nonfarm income official  
 27 poverty line, with the 5% federal income adjustment for family size, and qualifies Maine  
 28 to receive federal funding for 100% of the cost of coverage for members who enroll  
 29 under the expansion. Adults eligible are those 21 to 64 years of age, effective July 1,  
 30 2014, and, if the expansion of MaineCare coverage is not repealed, adults 19 and 20 years  
 31 of age, beginning October 1, 2019. The expansion of Medicaid eligibility contained in  
 32 this Part is repealed the earlier of either December 31, 2016 or 3 circumstances occurring:  
 33 the enhanced Federal Medical Assistance Percentage for calendar years 2014 to 2016 is  
 34 reduced below certain stated levels; the reduced enhanced Federal Medical Assistance  
 35 Percentage has taken effect; and after the occurrence of the reduction of the enhanced  
 36 Federal Medical Assistance Percentage the Legislature has convened and conducted a  
 37 session of at least 30 calendar days.

38 Part B requires the Office of Fiscal and Program Review to contract with a  
 39 nonpartisan research organization to evaluate the financial feasibility of providing health



1 care coverage to newly eligible MaineCare members through the health insurance  
2 marketplace, modeled after Medicaid expansion coverage in Arkansas or Iowa, and the  
3 feasibility of establishing a state basic health program similar to Washington's basic  
4 health plan and to report the findings of the evaluation to the joint standing committee of  
5 the Legislature having jurisdiction over health and human services matters by February  
6 15, 2015. It directs the Office of Fiscal and Program Review to contract for an  
7 examination of the impact of the MaineCare expansion on programs and services that do  
8 not currently receive Federal Medical Assistance Percentage matching funds or do not  
9 qualify for enhanced Federal Medical Assistance Percentage matching funds under the  
10 federal Patient Protection and Affordable Care Act, 42 United States Code, Section 18001  
11 et seq., with the goal of identifying and maximizing General Fund savings. It requires that  
12 the research organization report by February 15, 2015 and February 15, 2016 to the joint  
13 standing committee of the Legislature having jurisdiction over appropriations and  
14 financial affairs, the joint standing committee of the Legislature having jurisdiction over  
15 health and human services matters and the joint standing committee of the Legislature  
16 having jurisdiction over criminal justice and public safety matters on the amount of  
17 General Fund savings resulting from the MaineCare expansion. The reports must include  
18 the amount of savings expected and realized during fiscal years 2014-15 and 2015-16 by  
19 service area or program. It requires the State Budget Officer to calculate the amount of  
20 savings that applies against each General Fund account for all departments and agencies  
21 from savings associated with the MaineCare expansion and to transfer the amounts by  
22 financial order upon the approval of the Governor. It requires the State Controller to  
23 transfer any remaining savings to the MaineCare Stabilization Fund. It requires the State  
24 Budget Officer to provide a report of the transferred amounts to the joint standing  
25 committee of the Legislature having jurisdiction over appropriations and financial affairs  
26 no later than April 30, 2015 for fiscal year 2014-15 and to submit adjustments to baseline  
27 budget requests totaling no less than \$11,800,000 per year to reflect the continuation of  
28 the identified savings in the 2016-2017 biennium.

29 Part C provides funding for positions in the Department of Health and Human  
30 Services, Office of Family Independence - District program.

31 Part D requires the department, when enrolling a MaineCare member who is eligible  
32 under the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H or  
33 I, to provide written notice that is readable at the 6th-grade reading level to the member  
34 that the member's MaineCare coverage will end no later than December 31, 2016 unless a  
35 law is passed to extend coverage past that date.

FISCAL NOTE REQUIRED  
(See attached)



# 126th MAINE LEGISLATURE

LD 1640

LR 2330(02)

## An Act To Enhance the Stability and Predictability of Health Care Costs for Returning Veterans and Others by Addressing the Issues Associated with Hospital Charity Care and Bad Debt

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-464)

Committee: Health and Human Services

Fiscal Note Required: Yes

### Fiscal Note

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
<b>Net Cost (Savings)</b>				
General Fund	\$0	(\$3,684,799)	(\$1,668,768)	\$3,292,400
<b>Appropriations/Allocations</b>				
General Fund	\$0	(\$3,684,799)	(\$1,668,768)	\$3,292,400
Federal Expenditures Fund	\$0	\$328,652,018	\$356,629,515	\$279,458,608
Other Special Revenue Funds	\$0	\$4,706,952	\$4,836,712	\$4,970,364
<b>Revenue</b>				
Other Special Revenue Funds	\$0	\$4,706,952	\$4,836,712	\$4,970,364

### Fiscal Detail and Notes

This bill implements and adjusts funding related to the expansion of MaineCare under the federal Affordable Care Act.

Part B requires an evaluation of current state programs to identify savings that would result from the MaineCare expansion, identifies programs and populations that may realize savings and deappropriates funds statewide. The specific programs and amount of savings that will be realized and distributed to each program cannot be determined at this time. As a benchmark, the implementation of the MaineCare childless adults waiver effective October 2002 enrolled approximately 15,000 persons by the end of the first year and resulted in savings of \$1,800,000 that was subsequently deappropriated from the Mental Health Services - Community program in fiscal year 2002-03 (PL 2001 c.714). Part B includes a deappropriation of \$5,900,000 in 2014-15 in the Executive Branch Departments and Independent Agencies -Statewide program in the Department of Administrative and Financial Services for the initial savings to be identified in existing programs as a result of the expansion of MaineCare eligibility.

Part B includes an appropriation of \$100,000 in fiscal year 2014-15 for the Office of Fiscal and Program Review to contract with a nonpartisan research organization to evaluate the impact of the MaineCare expansion on State programs and to examine the financial feasibility of providing coverage through a Health Insurance Marketplace model. This level of contract funding will likely be insufficient to fund any detailed analysis of both the impact of MaineCare expansion and the financial feasibility of a Health Insurance Marketplace model. This level would not be sufficient to fund any actuarial analysis.

Part C of the bill includes General Fund appropriations of \$2,004,662 in 2014-15 for the Office of Family Independence - District program in the Department of Health and Human Services for the State share of the costs of 83 new positions to administer the MaineCare eligibility expansion. Funding for the new positions included in Part C reflect a 75% federal match for the 64 Eligibility Specialist positions and a 50% federal match for the other new positions. The funding for the Eligibility Specialist positions assumes a 700 person caseload for each new position. This is the target caseload the Department of Health and Human Services has identified for the Eligibility Specialist positions.

Part C also includes Federal Expenditures Fund allocations totaling \$327,657,166 in 2014-15 as shown below. The estimated federal allocations assume 100 percent federal matching funds through December 31, 2016 for the childless adult waiver population with incomes less than 134% of the federal poverty line. The fiscal note also assumes funding for the payment of three months of claims for this population after December 31, 2016 at the 95% enhanced federal match rate.

		FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Childless Adults @ or below 133% of FPL					
Estimated Population	55,965				
Est. Annual Cost Per Person	\$5,855	\$0	\$327,657,166	\$343,712,367	\$180,277,137
Assumed Federal Match		100.0%	100.0%	100.0%	100.0%
State Share of Costs		\$0	\$0	\$0	\$0
Childless Adults - CY 2017 Costs					
Estimated Cost		\$0	\$0	\$0	\$90,138,568
Assumed Federal Match		100.0%	100.0%	100.0%	95.0%
State Share of Costs		\$0	\$0	\$0	\$4,506,928

The bill does not include appropriations for the MaineCare costs of coverage for the parents population from 101% to 133% of the federal poverty line. Funding for coverage for this population through December 31, 2013 and for continued transitional MaineCare coverage was included in PL 2013, c. 368, the 2014-2015 Biennial Budget bill (LD 1509) at a General Fund funding level estimated at the time to be \$8,825,036 for fiscal year 2013-14 and \$9,319,223 for fiscal year 2014-15. PL 2011 c. 657 had originally eliminated coverage for this population effective September 30, 2012 contingent on federal approval of a waiver of federal Patient Protection and Affordable Care Act maintenance of effort requirements. Because the federal waiver was not granted, restoring the PL 2011, c. 657 deappropriation of \$5,866,833 (\$7,822,444 annualized) for this initiative was included in the adjustments to the MaineCare baseline in the 2014-2015 Biennial Budget.

The Department of Health and Human Services now estimates this population has a General Fund cost of approximately \$17 million per year, even though there have been no substantive program changes that would definitively explain a change in estimate of this magnitude. This fiscal note reflects the difference between the baseline adjustment used to prepare the 2014-2015 Biennial Budget and the department's latest estimate - see table below. If there are no subsequent MaineCare appropriations or deappropriations affecting this population during the 126th Legislature, continued funding for this population will be included in the 2016-2017 MaineCare biennial budget baseline. Any biennial 2016-2017 MaineCare budget savings to that baseline will be based on enacted adjustments made by the 127th Legislature.

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Parents (Between 101 and 133% of the Federal Poverty Line)				
Estimated Population	15,000			
2014-2015 Budget Baseline Adjustment	\$0	\$0	\$25,424,935	\$26,670,757
Assumed Federal Match	61.8%	61.6%	61.6%	61.6%
State Share of Costs	\$0	\$0	\$9,775,888	\$10,254,906
Updated DHHS Estimates	\$0	\$0	\$46,411,365	\$48,685,105
Assumed Federal Match	61.8%	61.6%	61.6%	61.6%
State Share of Costs	\$0	\$0	\$17,845,170	\$18,719,423
2016-2017 GF Baseline Adjustment	\$0	\$0	\$8,069,282	\$8,464,517

The fiscal note assumes any secondary impact on the numbers of persons participating in MaineCare as a result of this bill's expansion of MaineCare eligibility would be minimal based on the fact that most of the populations affected by the bill have been covered by MaineCare or on a MaineCare waitlist within the last year. The secondary impact on MaineCare participation as a result of implementation of the federal Patient Protection and Affordable Care Act (ACA) on MaineCare eligibility groups not addressed by the bill is not a result of this bill and therefore not included in this fiscal note. Any secondary ACA impact on the childless adult expansion population is assumed to have a minimal impact on General Fund costs given the 100% federal match. The secondary ACA impact on the parents expansion population could be significant and if it exceeds the growth assumptions for this population may result in additional General Fund costs beginning in fiscal year 2014-15. While the bill in aggregate assumes savings that could offset these General Fund costs, it does not include a mechanism to return savings to the MaineCare program until savings exceed the assumed statewide deappropriation included in this bill.