

MAINE STATE LEGISLATURE

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MINORITY

L.D. 815

Date: 5/5/15

(Filing No. S-69)

INSURANCE AND FINANCIAL SERVICES

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STATE OF MAINE
SENATE
127TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT “ A ” to S.P. 289, L.D. 815, Bill, “An Act To Establish a Unified-payor, Universal Health Care System”

Amend the bill in Part B in section 1 in §372 by inserting after the first indented paragraph and before subsection 1 the following:

1. Purpose and principles of the Maine Health Care Plan. The plan has the following purpose and must reflect the following human rights principles.

A. The purpose of the plan is to provide, as a public good, comprehensive, affordable, high-quality, publicly financed health care for the people of the State in a seamless and equitable manner regardless of income, assets, health status, employment or availability of other health insurance coverage.

B. The State shall ensure that the plan reflects the following human rights principles.

(1) The plan must guarantee universal access to high-quality, comprehensive, medically necessary health services for all people of this State. Systemic barriers, such as cost, may not prevent people from obtaining necessary health care.

(2) The plan must be publicly and equitably financed.

(3) The plan must be transparent in design, efficient in operation and accountable to the people it serves. The State must ensure public participation in the design, implementation, evaluation and accountability mechanisms of the health care system.'

Amend the bill in Part B in section 1 in §372 by renumbering the subsections to read consecutively.

Amend the bill in Part F in section 1 in subsection 3 by inserting after paragraph A the following:

'B. Consistency with the principle of equity, as expressed in the Maine Revised Statutes, Title 22, section 372, subsection 1, paragraph B to ensure that an

COMMITTEE AMENDMENT

ROFS

COMMITTEE AMENDMENT "A" to S.P. 289, L.D. 815

1 individual's payment for health care is a direct function of that individual's income
2 and increases based on the individual's ability to pay;'

3 Amend the bill in Part F in section 1 in subsection 3 by relettering the paragraphs to
4 read consecutively.

5 **SUMMARY**

6 This amendment is the minority report of the committee. The amendment adds
7 language to require that the Maine Health Care Plan established in the bill reflect human
8 rights principles in its development.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



127th MAINE LEGISLATURE

LD 815

LR 584(02)

An Act To Establish a Unified-payor, Universal Health Care System

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-69)
Committee: Insurance and Financial Services
Fiscal Note Required: Yes

Fiscal Note

Legislative Cost/Study
 Current biennium cost increase - General Fund
 Potential current biennium revenue increase - General Fund

Legislative Cost/Study

The general operating expenses of participation in the Maine Health Care Advisory Council are projected to be \$2,000 in fiscal year 2015-16 and \$2,000 in fiscal year 2016-17. If more than 4 meetings are held during the interim the estimated cost for legislators to attend each additional meeting is projected to be \$500 per meeting for legislative per diem and expenses. The Legislature's Other Special Revenue Funds account will be used to provide reimbursement to legislators for attending meetings of the advisory council. The Executive Director's office will seek reimbursement from the Maine Health Care Advisory Council for these costs.

Fiscal Detail and Notes

The bill would result in an increase in General Fund costs, the amount and timing of which cannot be determined at this time.

The bill requires the Department of Professional and Financial Regulation (DPFR) to establish the "Maine Health Benefit Marketplace (Marketplace)" as a health benefit exchange to facilitate the purchases and sale of qualified health plans and qualified stand-alone dental benefit plans in the individual market and establish a "Small Business Health Options Program (SHOP) exchange" to assist qualified employers in facilitating the enrollment of their employees in qualified health plans and qualified stand-alone dental benefit plans offered in the small group market.

This estimate assumes an implementation date of October 1, 2016, at which time staff and resources will be needed to establish the "Maine Health Benefit Marketplace" to begin enrollment on or after October 15, 2016 but no later than January 1, 2017. It also assumes a General Fund appropriation will be provided for any costs associated with establishing and managing the Marketplace in excess of grants received, and that no fees will be charged to individuals or employers for use of the exchanges until a funding mechanism has been submitted to and approved by the 128th Legislature.

DPFR does not have sufficient information to determine the level of staffing required and whether this staff will be employed or procured through contracts. A General Fund appropriation will be required, at a minimum, for start-up and ongoing costs, including but not limited to funding for the Director of the Marketplace (Specification 2 Range 91 which ranges from 72,030 - 100,713), additional staff, contracts, administration, general operations and legal support from the Office of the Maine Attorney General.

The anticipated fiscal impact to the Department of Health and Human Services is unable to be determined because the amount of involvement that will be required by DHHS and the affect this will have on MaineCare will only be determined as part of the marketplace and the Maine Health Care Trust Fund setup and financing plan. Section 378 B-2 states "The State Controller shall transfer a \$600,000 working capital advance to the dedicated account of the Maine Health Care Trust Fund" and further notes that the Maine Health Care Agency "shall repay this working capital advance by June 30th, 2020."

The creation of the Maine Health Care Plan is contingent upon the receipt of a waiver, from the United States Department of Health and Human Services, under Section 1332 of the federal Affordable Care Act pursuant to subsection 2.

Future appropriations to fully fund implementation of the program will be required. These appropriations will be included in future legislation, based on the reports, required in this bill, to the legislature.