

MAINE STATE LEGISLATURE

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Date: *6/4/19*

L.D. 880
(Filing No. H- *470*)

HEALTH AND HUMAN SERVICES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "*A*" to H.P. 654, L.D. 880, Bill, "An Act To Respond to Federal Changes to Social Programs"

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

'Resolve, Regarding the Impact of Minimum Wage Increases and Paid Time Off Requirements on MaineCare Reimbursement Rates'

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

'Sec. 1. Department of Health and Human Services to study the impact of minimum wage increases and earned paid leave on MaineCare rates. Resolved: That the Department of Health and Human Services shall study the impact of increases to the minimum wage pursuant to the Maine Revised Statutes, Title 26, section 664, subsection 1 and any statutory requirements for earned paid leave on the reimbursement rates for all services provided under department rule Chapter 101: MaineCare Benefits Manual, Chapter III. The department shall develop an assessment of future shortfalls in the sufficiency of MaineCare rates related to increases in the minimum wage and new requirements for earned paid leave and develop a plan to ensure that reimbursement rates remain sufficient to cover any future increases. The department may consult or contract with any experts or stakeholders that the department determines appropriate. The department shall report its findings, together with any recommendations and suggested legislation, to the Joint Standing Committee on Health and Human Services no later than March 1, 2020.'

SUMMARY

This amendment replaces the bill, which is a concept draft. It requires the Department of Health and Human Services to study the impact of increases in the minimum wage and any statutory requirements for earned paid leave on the reimbursement rates for all services reimbursed under the department's rule Chapter 101: MaineCare Benefits Manual, Chapter III. The department is required to develop an assessment of future shortfalls and develop a plan to ensure that reimbursement rates

COMMITTEE AMENDMENT

RD/S

COMMITTEE AMENDMENT "A" to H.P. 654, L.D. 880

1 remain sufficient to cover any future increases. The department may consult or contract
2 with any experts or stakeholders that the department determines appropriate. The
3 department shall report its findings, recommendations and suggested legislation to the
4 Joint Standing Committee on Health and Human Services no later than March 1, 2020.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT

R.O.F.S



129th MAINE LEGISLATURE

LD 880

LR 1040(02)

An Act To Respond to Federal Changes to Social Programs

Fiscal Note for Bill as Amended by Committee Amendment *A(H-470)*

Committee: Health and Human Services

Fiscal Note Required: Yes

Fiscal Note

Current biennium cost increase - General Fund
Current biennium cost increase - Federal Expenditures Fund

Fiscal Detail and Notes

The bill requires the Department of Health and Human Services (DHHS) to study the impact of increases in the minimum wage and any statutory requirements for earned paid leave on the reimbursement rates for all services reimbursed under the DHHS's rule Chapter 101: MaineCare Benefits Manual Chapter III. The DHHS is required to develop an assessment of future shortfalls and develop a plan to ensure that reimbursement rates remain sufficient to cover any future increases. The DHHS may consult or contract with any experts or stakeholders that the DHHS determines appropriate. The DHHS would see a fiscal impact as a result of contracted rate studies that may need to occur to fulfill the requirements of this bill. The average contract amount for a rate study is \$105,000 and if all sections required an outside contractor the cost could be as much as \$1,890,000. As it is not known which sections of policy will require an outside contractor and which can be done by the DHHS, no estimate of the cost for the rate studies can be determined at this time.