

# MAINE STATE LEGISLATURE

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# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

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Legislative Document

No. 1611

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H.P. 1163

House of Representatives, April 23, 2019

### An Act To Support Universal Health Care

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Reference to the Committee on Health Coverage, Insurance and Financial Services suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative BROOKS of Lewiston.  
Cosponsored by Senator BELLOWS of Kennebec and  
Representatives: ACKLEY of Monmouth, EVANGELOS of Friendship, FOLEY of Biddeford,  
HARNETT of Gardiner, MELARAGNO of Auburn, RISEMAN of Harrison, SYLVESTER of  
Portland, TIPPING of Orono.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 5 MRSA §12004-G, sub-§14-I** is enacted to read:

3 **14-I.**

4 Health Care Maine Health Board Compensation 24-A MRSA §7510  
5 determined under  
6 24-A MRSA §7510,  
7 sub-§3

8 **Sec. 2. 24-A MRSA c. 95** is enacted to read:

9 **CHAPTER 95**

10 **MAINE HEALTH PLAN ACT**

11 **§7501. Short title**

12 This chapter may be known and cited as "the Maine Health Plan Act."

13 **§7502. Maine Health Plan**

14 **1. Plan established; requirements.** The Maine Health Plan is established in order  
15 to keep residents of this State healthy and provide the best quality of health care. The  
16 Maine Health Plan must:

17 A. Ensure all residents of this State are covered;

18 B. Cover all necessary care, including dental, vision and hearing, mental health,  
19 chemical dependency treatment, prescription drugs, medical equipment and supplies,  
20 long-term care and home care;

21 C. Allow patients to choose their providers;

22 D. Reduce costs by cutting administrative bureaucracy, not by restricting or denying  
23 care;

24 E. Set premiums based on ability to pay;

25 F. Focus on preventive care and early intervention to improve health;

26 G. Ensure that there are enough health care providers to guarantee timely access to  
27 care;

28 H. Continue the State's leadership in medical education, research and technology;

29 I. Provide adequate and timely payments to providers; and

30 J. Use a simple funding and payment system.

31 **2. Purpose.** The Maine Health Plan must provide all medically necessary health  
32 care services for all residents of this State in a manner that meets the requirements of this  
33 chapter.

1           **3. Definitions.** As used in this chapter, unless the context otherwise indicates, the  
2 following terms have the following meanings.

3           A. "Institutional provider" means an inpatient hospital, nursing facility, rehabilitation  
4 facility or other health care facility that provides overnight care.

5           B. "Maine Health Board" or "board" means the Maine Health Board as established in  
6 section 7510.

7           C. "Maine Health Fund" or "fund" means the Maine Health Fund as established in  
8 section 7506.

9           D. "Maine Health Plan" or "plan" means the Maine Health Plan as established in  
10 subsection 1.

11           E. "Medically necessary" means, with regard to services or supplies, needed to  
12 promote health and to prevent, diagnose or treat a particular patient's medical  
13 condition and meeting accepted standards of medical practice within a provider's  
14 professional peer group and geographic region.

15           F. "Noninstitutional provider" means an individual provider, group practice, clinic,  
16 outpatient surgical center, imaging center or other health care facility that does not  
17 provide overnight care.

18 **§7503. Eligibility**

19           **1. Residency.** All residents of this State are eligible for the Maine Health Plan.

20           **2. Enrollment; identification.** The Maine Health Board shall establish a procedure  
21 to enroll residents and provide each with identification that may be used by health care  
22 providers to confirm eligibility for services. The application for enrollment must be no  
23 more than 2 pages.

24           **3. Residents temporarily out of state.** The Maine Health Plan must provide health  
25 care coverage to residents of this State who are temporarily out of the State who intend to  
26 return and reside in the State. Coverage for emergency care obtained out of the State  
27 must be at prevailing local rates. Coverage for nonemergency care obtained out of the  
28 State must be according to rates and conditions established by the board. The board may  
29 require that a resident be transported back to the State when prolonged treatment of an  
30 emergency condition is necessary and when that transport will not adversely affect a  
31 patient's care or condition.

32           **4. Visitors.** Nonresidents visiting the State must be billed by the board for all  
33 services received under the Maine Health Plan. The board may enter into  
34 intergovernmental arrangements or contracts with other states and countries to provide  
35 reciprocal coverage for temporary visitors.

36           **5. Nonresident employed in State.** The board shall extend eligibility for the plan to  
37 nonresidents employed in this State under a premium schedule set by the board.

38           **6. Business outside of State employing residents of State.** The board shall apply  
39 for a federal waiver to collect the employer contribution mandated by federal law.

1            **7. Retiree benefits.** All persons who are eligible for retiree medical benefits under  
2 an employer-employee contract remain eligible for those benefits as long as the  
3 contractually mandated payments for those benefits are made to the Maine Health Fund,  
4 which assumes financial responsibility for care provided under the terms of the contract  
5 along with additional health benefits covered by the Maine Health Plan. Retirees who  
6 elect to reside out of the State are eligible for benefits under the terms and conditions of  
7 the retirees' employer-employee contract. The board may establish financial  
8 arrangements with states and foreign countries in order to facilitate meeting the terms of  
9 the contracts described in this subsection. Payments for care provided by providers out of  
10 the State to retirees of this State must be reimbursed at rates established by the Maine  
11 Health Board. Providers who accept any payment from the Maine Health Plan for a  
12 covered service may not bill the patient for the covered service.

13            **8. Presumptive eligibility.** The following provisions apply.

14            A. An individual is presumed eligible for coverage under the Maine Health Plan if  
15 the individual arrives at a health care facility unconscious, comatose or otherwise  
16 unable, because of the individual's physical or mental condition, to document  
17 eligibility or to act on the individual's own behalf. If the patient is a minor, the  
18 patient is presumed eligible, and the health care facility shall provide care as if the  
19 patient were eligible.

20            B. An individual is presumed eligible when brought to a health care facility licensed  
21 in this State for emergency care and treatment in accordance with any provision of  
22 law providing for involuntary care and treatment.

23            C. Any individual involuntarily committed to an acute psychiatric facility or to a  
24 hospital with psychiatric beds in accordance with any provision of law providing for  
25 involuntary commitment is presumed eligible.

26            D. All health care facilities subject to state and federal provisions governing  
27 emergency medical treatment must comply with those provisions.

28            **9. Data.** Data collected because an individual applies for or is enrolled in the Maine  
29 Health Plan are confidential, but may be released to:

30            A. Providers for purposes of confirming enrollment and processing payments for  
31 benefits; or

32            B. The State Auditor for purposes of the duties of that office.

33            **§7504. Benefits**

34            **1. General provisions.** Any eligible individual may choose to receive services  
35 under the Maine Health Plan from any participating provider.

36            **2. Covered benefits.** Covered health care benefits in this chapter include all  
37 medically necessary care, subject to the limitations specified in this chapter. Covered  
38 health care benefits for Maine Health Plan enrollees include:

39            A. Inpatient and outpatient health care facility services;

40            B. Inpatient and outpatient professional health care provider services;

- 1           C. Diagnostic imaging, laboratory services and other diagnostic and evaluative
- 2           services;
- 3           D. Medical equipment, appliances and assistive technology, including prosthetics,
- 4           eyeglasses and hearing aids and repair, technical support and customization needed
- 5           for individual use;
- 6           E. Inpatient and outpatient rehabilitative care;
- 7           F. Emergency care services;
- 8           G. Emergency transportation;
- 9           H. Necessary transportation for health care services for persons with disabilities or
- 10          who may qualify as persons with low income;
- 11          I. Child and adult immunizations and preventive care;
- 12          J. Health and wellness education;
- 13          K. Hospice care;
- 14          L. Care in a skilled nursing facility;
- 15          M. Home health care including health care provided in an assisted living facility;
- 16          N. Mental health services;
- 17          O. Substance use disorder treatment;
- 18          P. Dental care;
- 19          Q. Vision care;
- 20          R. Hearing care;
- 21          S. Prescription drugs;
- 22          T. Podiatric care;
- 23          U. Chiropractic care;
- 24          V. Acupuncture;
- 25          W. Therapies that are shown by the United States Department of Health and Human
- 26          Services, National Institutes of Health, National Center for Complementary and
- 27          Integrative Health to be safe and effective;
- 28          X. Blood and blood products;
- 29          Y. Dialysis;
- 30          Z. Adult day care;
- 31          AA. Rehabilitative and habilitative services;
- 32          BB. Ancillary health care or social services previously covered by the State's public
- 33          health programs;
- 34          CC. Case management and care coordination;

1 DD. Language interpretation and translation for health care services, including sign  
2 language and Braille or other services needed for individuals with communication  
3 barriers; and

4 EE. Those health care and long-term supportive services covered under the laws of  
5 this State for persons receiving medical assistance from the State, including home and  
6 community-based services provided under the MaineCare program or funded by the  
7 State.

8 **3. Benefit expansion.** The Maine Health Board may expand health care benefits  
9 beyond the minimum benefits described in this section when expansion meets the intent  
10 of this chapter and when there are sufficient funds to cover the expansion.

11 **4. Cost sharing for the room and board portion of long-term care.** The Maine  
12 Health Board shall develop income and asset qualifications based on state medical  
13 assistance standards for covered benefits. All health care services for long-term care in a  
14 skilled nursing facility or assisted living facility are fully covered but room and board  
15 costs may be charged to patients who do not meet income and asset qualifications.

16 **5. Exclusions.** The following health care services may be excluded from coverage  
17 by the Maine Health Plan:

18 A. Health care services determined to have no medical benefit by the board;

19 B. Treatments and procedures primarily for cosmetic purposes, unless:

20 (1) Required to correct a congenital defect or restore or correct a part of the body  
21 that has been altered as a result of injury, disease or surgery; or

22 (2) Determined to be medically necessary by a qualified, licensed health care  
23 provider in the Maine Health Plan; and

24 C. Services of a health care provider or facility that is not licensed or accredited by  
25 the State, except for approved services provided to a resident of this State who is  
26 temporarily out of the State and for approved services provided to a resident of this  
27 State if the services of a health care provider or facility in the State are not available  
28 to provide those services.

29 **§7505. Patient care**

30 **1. Primary care.** All patients are entitled to have a primary care provider and have  
31 access to care coordination.

32 **2. Referrals not required.** Referrals are not required for a patient to see a health  
33 care specialist. If a patient sees a specialist and does not have a primary care provider,  
34 the Maine Health Plan may assist with choosing a primary care provider.

35 **3. Electronic registry.** The board may establish an electronic registry to assist  
36 patients in identifying appropriate providers.

1           **§7506. Maine Health Fund**

2           **1. General provisions.** The board shall establish the Maine Health Fund to  
3 implement the Maine Health Plan and to receive premiums and other sources of revenue.  
4 The fund must be administered by a director appointed by the Maine Health Board.

5           A. All money collected, received and transferred according to this chapter must be  
6 deposited in the Maine Health Fund.

7           B. Money deposited in the Maine Health Fund must be used to finance the Maine  
8 Health Plan.

9           C. All claims for health care services rendered must be made to the Maine Health  
10 Fund.

11           D. All payments made for health care services must be disbursed from the Maine  
12 Health Fund.

13           E. Premiums and other revenues collected each year must be sufficient to cover that  
14 year's projected costs.

15           **2. Accounts.** The Maine Health Fund must have operating, capital and reserve  
16 accounts.

17           **3. Operating account.** The operating account in the Maine Health Fund comprises  
18 the accounts specified in this subsection.

19           A. The medical services account must be used to provide for all medical services and  
20 benefits covered under the Maine Health Plan.

21           B. The prevention account must be used to establish and maintain primary  
22 community prevention programs, including preventive screening tests.

23           C. The program administration, evaluation, planning and assessment account must  
24 be used to monitor and improve the plan's effectiveness and operations. The board  
25 may establish grant programs including demonstration projects for this purpose.

26           D. The training and development account must be used to incentivize the training  
27 and development of health care providers and the health care workforce needed to  
28 meet the health care needs of the population.

29           E. The health service research account must be used to support research and  
30 innovation as determined by the Maine Health Board.

31           **4. Capital account.** The capital account must be used to pay for capital  
32 expenditures for institutional providers.

33           **5. Reserve account.** The Maine Health Plan must at all times hold in reserve an  
34 amount estimated in the aggregate to provide for the payment of all losses and claims for  
35 which the Maine Health Plan may be liable and to provide for the expense of adjustment  
36 or settlement of losses and claims. Money currently held in reserve by state, city and  
37 county health programs must be transferred to the Maine Health Fund when the Maine  
38 Health Plan replaces those programs. The board shall adopt rules to insure the Maine



1 Health Plan against unforeseen expenditures or revenue shortfalls not covered by the  
2 reserve account. The board may borrow money to cover temporary shortfalls.

3 **§7507. Revenue sources**

4 **1. Maine Health Plan premium.** The Maine Health Board shall:

5 A. Determine the aggregate cost of providing health care according to this chapter;

6 B. Develop an equitable and affordable premium structure based on income,  
7 including unearned income, and a business health tax based on payroll;

8 C. In consultation with the State Tax Assessor, develop an efficient means of  
9 collecting premiums and the business health tax developed under paragraph B;

10 D. Coordinate with existing, ongoing funding sources from federal and state  
11 programs;

12 E. Base the premium structure developed under paragraph B on ability to pay; and

13 F. On or before January 15, 2021, submit to the Governor and the Legislature a  
14 report on the premium structure and business health tax developed under paragraph B  
15 to finance the Maine Health Plan.

16 **2. Federal receipts.** All federal funding received by the State, including the  
17 premium subsidies under the federal Affordable Care Act, is appropriated to the Maine  
18 Health Fund to be used to administer the Maine Health Plan under this chapter. Federal  
19 funding that is received for implementing and administering the Maine Health Plan must  
20 be used to provide health care for residents of this State.

21 **3. Funds from outside sources.** Institutional providers operating under Maine  
22 Health Plan operating budgets may raise and expend funds from sources other than the  
23 Maine Health Plan including private donors. Contributions to institutional providers in  
24 excess of \$500,000 must be reported to the board.

25 **4. Governmental payments.** The Governor and, if required under federal law, the  
26 Commissioner of Health and Human Services and the Commissioner of Economic and  
27 Community Development shall seek all necessary waivers, exemptions, agreements and  
28 legislation so that all applicable federal payments to the State, including the premium tax  
29 credits under the federal Affordable Care Act, are paid directly to the Maine Health Fund.  
30 When all required waivers, exemptions, agreements and legislation are obtained, the  
31 Maine Health Plan assumes responsibility for all health care benefits and health care  
32 services previously paid for with federal funds. In obtaining the waivers, exemptions,  
33 agreements or legislation, the Governor and, if required, commissioners shall seek from  
34 the Federal Government a contribution for health care services in the State that reflects:  
35 medical inflation, the state gross domestic product, the size and age of the population of  
36 the State, the number of residents of the State living below the poverty level and the  
37 number of individuals in this State eligible for Medicare and services from the federal  
38 Department of Veterans Affairs and that does not decrease in relation to the federal  
39 contributions to other states as a result of the waivers, exemptions, agreements or savings  
40 from implementation of the Maine Health Plan.

1           **5. Federal preemption.** The board shall seek to secure a repeal or a waiver of any  
2 provision of federal law that preempts any provision of this chapter. The Commissioner  
3 of Health and Human Services shall provide all necessary assistance. In the application  
4 for an innovation waiver under Section 1332 of the federal Affordable Care Act, the  
5 board shall request to waive any of the following provisions of the federal Affordable  
6 Care Act to the extent necessary to implement this Act:

7           A. In 42 United States Code, Sections 18021 to 18024;

8           B. In 42 United States Code, Sections 18031 to 18033;

9           C. In 42 United States Code, Section 18071; and

10          D. In 26 United States Code, Sections 36B and 5000A.

11 In the event that a repeal or a waiver of law or regulations cannot be secured, the board  
12 shall adopt rules, or seek conforming state legislation, consistent with federal law, in an  
13 effort to best fulfill the purposes of this chapter.

14           **6. Secondary to federal government programs.** The Maine Health Plan's  
15 responsibility for providing care is secondary to existing federal government programs  
16 for health care services to the extent that funding for these programs is not transferred to  
17 the Maine Health Fund or that the transfer is delayed beyond the date on which initial  
18 benefits are provided under the Maine Health Plan.

19           **7. No cost sharing.** Except as provided in section 7504, subsection 4, no deductible,  
20 copayment, coinsurance or other cost sharing may be imposed with respect to covered  
21 benefits.

22           **§7508. Subrogation**

23           **1. Collateral source.** When other payers for health care have been terminated,  
24 health care costs must be collected from collateral sources whenever medical services  
25 provided to an individual are, or may be, covered services under a policy of insurance, or  
26 other collateral source available to that individual, or when the individual has a right of  
27 action for compensation permitted under law.

28           A. As used in this section, "collateral source" includes:

29           (1) Health insurance policies and the medical components of automobile,  
30 homeowner's and other forms of insurance;

31           (2) Medical components of workers' compensation;

32           (3) Pension plans;

33           (4) Employer plans;

34           (5) Employee benefit contracts;

35           (6) Government benefit programs;

36           (7) A judgment for damages for personal injury;

37           (8) The state of last domicile for individuals moving to the State for medical care  
38 who have extraordinary medical needs; and

1           (9) Any 3rd party who is or may be liable to an individual for health care  
2           services or costs.

3           B. As used in this section, "collateral source" does not include:

4           (1) A contract or plan that is subject to federal preemption; or

5           (2) Any governmental unit, agency or service to the extent that subrogation is  
6           prohibited by law. An entity described in paragraph A is not excluded from the  
7           obligations imposed by this section by virtue of a contract or relationship with a  
8           governmental unit, agency or service.

9           C. The board shall negotiate waivers, seek federal legislation or make other  
10          arrangements to incorporate collateral sources into the Maine Health Plan.

11          **2. Notification.** When an individual who receives health care services under the  
12          Maine Health Plan is entitled to coverage, reimbursement, indemnity or other  
13          compensation from a collateral source, the individual shall notify the health care provider  
14          and provide information identifying the collateral source, the nature and extent of  
15          coverage or entitlement and other relevant information. The health care provider shall  
16          forward this information to the board. The individual entitled to coverage,  
17          reimbursement, indemnity or other compensation from a collateral source shall provide  
18          additional information as requested by the board.

19          **3. Reimbursement.** The Maine Health Board shall seek reimbursement from the  
20          collateral source for services provided to the individual and may institute appropriate  
21          action, including legal proceedings, to recover the reimbursement. Upon demand, the  
22          collateral source shall pay to the Maine Health Fund the sums it would have paid or  
23          expended on behalf of the individual for the health care services provided by the Maine  
24          Health Plan.

25          A. In addition to any other right to recovery provided in this section, the board has  
26          the same right to recover the reasonable value of health care benefits from a collateral  
27          source as provided to the Commissioner of Health and Human Services.

28          B. If a collateral source is exempt from subrogation or the obligation to reimburse  
29          the Maine Health Plan, the board may require that an individual who is entitled to  
30          medical services from the source first seek those services from that source before  
31          seeking those services from the Maine Health Plan.

32          C. To the extent permitted by federal law, the board has the same right of  
33          subrogation over contractual retiree health care benefits provided by employers as  
34          other contracts, allowing the Maine Health Plan to recover the cost of health care  
35          services provided to individuals covered by the retiree benefits, unless arrangements  
36          are made to transfer the revenues of the health care benefits directly to the Maine  
37          Health Fund.

38          **4. Defaults, underpayments and late payments.** Default, underpayment or late  
39          payment of any tax or other obligation imposed by this chapter results in the remedies  
40          and penalties provided by law, except as provided in this section. Eligibility for health  
41          care benefits under this chapter may not be impaired by any default, underpayment or late  
42          payment of any premium or other obligation imposed by this chapter.

1           **§7509. Provider payments**

2           **1. General provisions.** All health care providers licensed to practice in this State,  
3 and other providers as determined by the board, may participate in the Maine Health Plan.  
4 A participating health care provider shall comply with all federal laws and regulations  
5 governing referral fees and fee splitting, including, but not limited to, 42 United States  
6 Code, Sections 1320a-7b and 1395nn, whether reimbursed by federal funds or not. A fee  
7 schedule or financial incentive may not adversely affect the care a patient receives or the  
8 care a health care provider recommends.

9           **2. Payments to noninstitutional providers.** The Maine Health Board shall  
10 establish and oversee a fair and efficient payment system for noninstitutional providers in  
11 accordance with this subsection.

12           A. The board shall pay noninstitutional providers based on rates negotiated with  
13 providers. Rates must take into account the need to address provider shortages.

14           B. The board shall establish payment criteria and methods of payment for care  
15 coordination for patients, especially those with chronic illness and complex medical  
16 needs.

17           C. Providers who accept any payment from the Maine Health Plan for a covered  
18 health care service may not bill the patient for the covered health care service.

19           D. Providers must be paid within 30 business days for claims filed following  
20 procedures established by the board.

21           **3. Payments to institutional providers.** The board shall set annual budgets for  
22 institutional providers. These budgets must consist of an operating and a capital budget.  
23 An institution's annual budget must be set to cover its anticipated health care services for  
24 the next year based on past performance and projected changes in prices and health care  
25 service levels. The annual budget for each individual institutional provider must be set  
26 separately. The board may not set a joint budget for a group of more than one  
27 institutional provider nor for a parent corporation that owns or operates one or more  
28 institutional providers.

29           **4. No balance billing.** Providers who accept any payment from the Maine Health  
30 Plan for a covered health care service may not bill the patient for the covered health care  
31 service.

32           **5. Capital investment plan.** The board shall periodically develop a capital  
33 investment plan that will serve as a guide in determining the annual budgets of  
34 institutional providers and in deciding whether to approve applications for approval of  
35 capital expenditures by noninstitutional providers. Providers who propose to make  
36 capital purchases in excess of \$500,000 must obtain board approval. The board may alter  
37 the threshold expenditure level that triggers the requirement to submit information on  
38 capital expenditures. Institutional providers shall propose these expenditures and submit  
39 the required information as part of the annual budget they submit to the board.  
40 Noninstitutional providers shall submit applications for approval of these expenditures to  
41 the board. The board shall respond to capital expenditure applications in a timely  
42 manner.

1           **§7510. Maine Health Board**

2           **1. Establishment.** The Maine Health Board is established to promote the delivery of  
3 high-quality, coordinated health care services that enhance health; prevent illness, disease  
4 and disability; slow the progression of chronic diseases; and improve personal health  
5 management. The board shall administer the Maine Health Plan.

6           **2. Board composition.** The board consists of 17 members, appointed by the  
7 Governor subject to review by the joint standing committee of the Legislature having  
8 jurisdiction over health coverage matters and to confirmation by the Legislature, as  
9 follows:

10           A. Five patient members and 5 employer members; and

11           B. Seven providers that include 3 physicians, at least one of whom must be a primary  
12 care physician, one registered nurse, one mental health provider, one dentist and one  
13 health care facility director.

14           **3. Term and compensation; selection of chair.** Board members serve 4-year  
15 terms. Board members shall set the board's compensation at an amount not to exceed the  
16 compensation of Public Utilities Commission members. The board shall select the chair  
17 from its membership.

18           **4. General duties.** The board shall:

19           A. Ensure that all of the requirements of this chapter are met;

20           B. Hire a chief executive officer for the Maine Health Plan to administer all aspects  
21 of the plan as directed by the board;

22           C. Hire a director for the Maine Health Fund;

23           D. Conduct necessary investigations and inquiries and require the submission of  
24 information, documents and records the board considers necessary to carry out the  
25 purposes of this chapter;

26           E. Establish a process for the board to receive the concerns, opinions, ideas and  
27 recommendations of the public regarding all aspects of the Maine Health Plan and  
28 establish the means of addressing those concerns;

29           F. Establish regional planning boards to assist the board in carrying out its duties;

30           G. Establish an ombudsman position to represent the interests of consumers of health  
31 care and to advocate on behalf of consumers;

32           H. Establish a grievance process for complaints by enrollees in the Maine Health  
33 Plan;

34           I. Conduct other activities the board considers necessary to carry out the purposes of  
35 this chapter;

36           J. Collaborate with the agencies that license health care facilities to ensure that  
37 facility performance is monitored and that deficient practices are recognized and  
38 corrected in a timely manner;

- 1           K. Adopt rules as necessary to carry out the duties assigned under this chapter;
- 2           L. Establish conflict-of-interest standards prohibiting providers from any financial  
3           benefit from their medical decisions outside of board reimbursement;
- 4           M. Establish conflict-of-interest standards related to pharmaceutical marketing to  
5           providers;
- 6           N. Require that all electronic health records used by providers be fully interoperable  
7           with the open-source electronic health records system used by the United States  
8           Department of Veterans Affairs; and
- 9           O. Provide financial help and assistance in retraining and job placement to the state  
10          workers who may be displaced because of the administrative efficiencies of the  
11          Maine Health Plan. To alleviate staffing displacements in the medical field, the  
12          displaced worker support program must emphasize retraining and placement into  
13          health care-related positions if appropriate. As residents of this State, all displaced  
14          workers must be covered under the Maine Health Plan.
- 15          **5. Waiver request duties.** Before submitting an application for an innovation  
16          waiver under Section 1332 of the federal Affordable Care Act, the board shall do the  
17          following, as required by federal law:
- 18               A. Conduct or contract for any necessary actuarial analyses and actuarial  
19               certifications needed to support the board's estimates that the waiver will comply with  
20               the comprehensive coverage, affordability and scope of coverage requirements in  
21               federal law;
- 22               B. Conduct or contract for any necessary economic analyses needed to support the  
23               board's estimates that the waiver will comply with the comprehensive coverage,  
24               affordability, scope of coverage and federal deficit requirements in federal law.  
25               These analyses must include:
- 26                       (1) A detailed 10-year budget plan; and
- 27                       (2) A detailed analysis regarding the estimated impact of the waiver on health  
28                       insurance coverage in the State;
- 29               C. Establish a detailed draft implementation timeline for the waiver; and
- 30               D. Establish quarterly, annual and cumulative targets for the comprehensive  
31               coverage, affordability, scope of coverage and federal deficit requirements in federal  
32               law.
- 33          **6. Financial duties.** The board shall:
- 34               A. Establish and collect premiums and the business health tax according to this  
35               chapter;
- 36               B. Approve statewide and regional budgets that include budgets for accounts in  
37               accordance with this chapter;
- 38               C. Negotiate and establish payment rates for providers;
- 39               D. Monitor compliance with all budgets and payment rates;

1 E. Pay claims for medical products or services as negotiated, and may issue requests  
2 for proposals from state nonprofit business corporations for a contract to process  
3 claims;

4 F. Seek federal approval to bill other states for health care coverage provided to  
5 residents from out of the State who come to the State for long-term care or other  
6 costly treatment when the resident's home state fails to provide such coverage, unless  
7 a reciprocal agreement with those states to provide similar coverage to residents of  
8 this State relocating to those states is negotiated;

9 G. Administer the Maine Health Fund;

10 H. Annually determine the appropriate level for the Maine Health Plan reserve  
11 account under section 7506, subsection 5 and implement policies needed to establish  
12 the appropriate reserve;

13 I. Implement fraud prevention measures necessary to protect the operation of the  
14 Maine Health Plan; and

15 J. Work to ensure appropriate cost control by:

16 (1) Instituting aggressive public health measures, early intervention and  
17 preventive care, health and wellness education and promotion of personal health  
18 improvement;

19 (2) Making changes in the delivery of health care services and administration  
20 that improve efficiency and care quality;

21 (3) Minimizing administrative costs;

22 (4) Ensuring that the delivery system does not contain excess capacity; and

23 (5) Negotiating the lowest possible prices for prescription drugs, medical  
24 equipment and medical services.

25 If the board determines that there will be a revenue shortfall despite the cost control  
26 measures mentioned in paragraph J, the board shall implement measures to correct the  
27 shortfall, including an increase in premiums and other revenues. The board shall report to  
28 the Legislature on the causes of the shortfall, reasons for the inadequacy of cost controls  
29 and measures taken to correct the shortfall.

30 **7. Management duties.** The board shall:

31 A. Develop and implement enrollment procedures for the Maine Health Plan;

32 B. Implement eligibility standards for the Maine Health Plan;

33 C. Arrange for health care to be provided at convenient locations, including ensuring  
34 the availability of school nurses so that all students have access to health care,  
35 immunizations and preventive care at public schools and encouraging providers to  
36 open small health clinics at larger workplaces and retail centers;

37 D. Establish an electronic claims and payments system for the Maine Health Plan;

38 E. Monitor the operation of the Maine Health Plan through consumer surveys and  
39 regular data collection and evaluation activities, including evaluations of the

1 adequacy and quality of services furnished under the program, the need for changes  
2 in the benefit package, the cost of each type of service and the effectiveness of cost  
3 control measures under the program;

4 F. Disseminate information and establish a health care website to provide  
5 information to the public about the Maine Health Plan;

6 G. Collaborate with public health agencies, schools and community clinics;

7 H. Ensure that Maine Health Plan policies and providers, including public health  
8 providers, support all residents of this State in achieving and maintaining optimum  
9 physical and mental health; and

10 I. Annually report to the joint standing committee of the Legislature having  
11 jurisdiction over health coverage, insurance and financial services matters on the  
12 performance of the Maine Health Plan, the fund's fiscal condition and need for  
13 payment adjustments, recommendations for statutory changes, receipt of revenue  
14 from all sources, whether current year goals and priorities are met, future goals and  
15 priorities, major new technology or prescription drugs and other circumstances that  
16 may affect the cost or quality of health care.

17 **8. Policy duties.** The board shall:

18 A. Develop and implement cost control and quality assurance procedures;

19 B. Implement policies to ensure strong public health services including education  
20 and community-based preventive health care and clinical services;

21 C. Implement policies to ensure a continuum of coordinated high-quality primary to  
22 tertiary care to all residents of this State; and

23 D. Implement policies to ensure that all residents of this State receive culturally and  
24 linguistically competent care.

25 **9. Self-insurance.** The board shall determine the feasibility of self-insuring  
26 providers for malpractice and shall establish a self-insurance system and create a special  
27 fund for payment of losses incurred if the board determines self-insuring providers would  
28 reduce costs.

29 **10. Audit.** The Maine Health Plan must be audited annually by the State Auditor.  
30 The board may, in its discretion, arrange for an independent audit to be conducted. A  
31 copy of the audit must be provided to the State Controller, to the joint standing committee  
32 of the Legislature having jurisdiction over appropriations and financial affairs and to the  
33 joint standing committee of the Legislature having jurisdiction over health coverage  
34 matters.

35 **§7511. Implementation**

36 The Maine Health Plan must be operational beginning January 1, 2023. Beginning  
37 on the date the Maine Health Plan becomes operational, a health plan may not be sold in  
38 this State for services provided by the Maine Health Plan.



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## **SUMMARY**

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This bill establishes the Maine Health Plan to provide universal health care coverage to all residents of this State. The bill is modeled on proposed legislation considered in Minnesota.

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