

MAINE STATE LEGISLATURE

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Date 6/21/23

L D 1522
(Filing No H-661)

HEALTH AND HUMAN SERVICES

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to HP 977, L D 1522, "An Act to Provide Economic Justice to Historically Disadvantaged Older Citizens by Amending the Laws Governing the Medicare Savings Program"

Amend the bill by striking out the title and substituting the following
'An Act to Provide Economic Justice to Historically Disadvantaged Older Citizens by Amending the Laws Governing the Medicare Savings Program and the Elderly Low-cost Drug Program'

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

'Sec. 1. 22 MRSA §254-D, sub-§4, ¶B, as amended by PL 2015, c 267, Pt TT, §1, is further amended by amending subparagraph (3) to read

(3) Does not receive full MaineCare pharmaceutical benefits, and

Sec. 2. 22 MRSA §254-D, sub-§4, ¶B, as amended by PL 2015, c 267, Pt TT, §1, is further amended by amending subparagraph (4) to read

(4) Is at least 62 years of age, or is 19 years of age or older and determined to be disabled by the standards of the federal social security program A person who was eligible for the program at any time from August 1, 1998 to July 31, 1999 and who does not meet the requirements of this subparagraph at the time of application or renewal retains eligibility for the program if that person is a member of a household of an eligible person, ~~and~~

Sec. 3. 22 MRSA §254-D, sub-§4, ¶B, as amended by PL 2015, c 267, Pt TT, §1, is further amended by repealing subparagraph (5)

Sec. 4. 22 MRSA §254-D, sub-§4, ¶D, as amended by PL 2019, c 343, Pt ZZ, §1, is further amended to read

D Income eligibility of individuals must be determined by this paragraph and by reference to the federal poverty guidelines for the 48 contiguous states and the District

COMMITTEE AMENDMENT

1 of Columbia, as defined by the federal Office of Management and Budget and revised
 2 annually in accordance with the United States Omnibus Budget Reconciliation Act of
 3 1981, Section 673, Subsection 2, Public Law 97-35, reauthorized by Public Law 105-
 4 285, Section 201 (1998) If the household income is not more than ~~185%~~ 250% of the
 5 federal poverty guideline applicable to the household, the individual is eligible for the
 6 basic program and the supplemental program Individuals are also eligible for the basic
 7 and the supplemental program if the household spends at least 40% of its income on
 8 unreimbursed direct medical expenses for prescription drugs and medications and the
 9 household income is not more than 25% higher than the levels specified in this
 10 paragraph For the purposes of this paragraph, the cost of drugs provided to a
 11 household under this section is considered a cost incurred by the household for
 12 eligibility determination purposes

13 **Sec. 5. 22 MRSA §3174-KKK** is enacted to read

14 **§3174-KKK. Medicare savings program**

15 The department shall administer the Medicare savings program as described in 42
 16 United States Code, Section 1396a(a)(10)(E) in accordance with federal law and with this
 17 section

18 **1. Asset test.** The department may not apply an asset test in determining eligibility
 19 for the program

20 **2. Income eligibility.** No later than March 1, 2024, the department shall establish
 21 income disregards to determine eligibility so that a person with income that is no more than
 22 185% of the federal poverty level is qualified as a qualified Medicare beneficiary and a
 23 person with income that is more than 185% and no more than 250% of the federal poverty
 24 level is qualified as a qualified individual

25 **3. Rules.** The department shall adopt rules to implement this section Rules adopted
 26 pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375,
 27 subchapter 2-A

28 **Sec. 6. State plan amendment.** The Department of Health and Human Services
 29 shall prepare and submit any necessary Medicaid state plan amendments to the United
 30 States Department of Health and Human Services, Centers for Medicare and Medicaid
 31 Services for approval for the removal of the asset test and income eligibility guidelines
 32 required by this Act

33 **Sec. 7. Appropriations and allocations.** The following appropriations and
 34 allocations are made

35 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**

36 **Low-cost Drugs To Maine's Elderly 0202**

37 Initiative Provides funding to remove the asset test for eligibility and increase the
 38 household income level to 250% of the federal poverty level in the elderly low-cost drug
 39 program, to update income eligibility for qualified Medicare beneficiaries to no more than
 40 185% of the federal poverty level and to update the qualified individuals to more than 185%
 41 and no more than 250% of the federal poverty level

| | | | |
|----|---------------------|----------------|----------------|
| 42 | GENERAL FUND | 2023-24 | 2024-25 |
| 43 | All Other | \$1,469,505 | \$17,437,444 |

COMMITTEE AMENDMENT "A" to HP 977, L D 1522

| | | | |
|----|---|--------------------|---------------------|
| 1 | | | |
| 2 | GENERAL FUND TOTAL | <u>\$1,469,505</u> | <u>\$17,437,444</u> |
| 3 | Medical Care - Payments to Providers 0147 | | |
| 4 | Initiative Provides funding to remove the asset test for eligibility and increase the | | |
| 5 | household income level to 250% of the federal poverty level in the elderly low-cost drug | | |
| 6 | program, to update income eligibility for qualified Medicare beneficiaries to no more than | | |
| 7 | 185% of the federal poverty level and to update the qualified individuals to more than 185% | | |
| 8 | and no more than 250% of the federal poverty level | | |
| 9 | GENERAL FUND | 2023-24 | 2024-25 |
| 10 | All Other | \$2,859,537 | \$15,563,865 |
| 11 | | | |
| 12 | GENERAL FUND TOTAL | <u>\$2,859,537</u> | <u>\$15,563,865</u> |
| 13 | | | |
| 14 | FEDERAL EXPENDITURES FUND | 2023-24 | 2024-25 |
| 15 | All Other | \$5,848,798 | \$43,261,931 |
| 16 | | | |
| 17 | FEDERAL EXPENDITURES FUND TOTAL | <u>\$5,848,798</u> | <u>\$43,261,931</u> |
| 18 | Office for Family Independence Z020 | | |
| 19 | Initiative Provides one-time funding for required technology changes | | |
| 20 | GENERAL FUND | 2023-24 | 2024-25 |
| 21 | All Other | \$8,100 | \$0 |
| 22 | | | |
| 23 | GENERAL FUND TOTAL | <u>\$8,100</u> | <u>\$0</u> |
| 24 | | | |
| 25 | OTHER SPECIAL REVENUE FUNDS | 2023-24 | 2024-25 |
| 26 | All Other | \$24,886 | \$0 |
| 27 | | | |
| 28 | OTHER SPECIAL REVENUE FUNDS TOTAL | <u>\$24,886</u> | <u>\$0</u> |
| 29 | Office for Family Independence - District 0453 | | |
| 30 | Initiative Provides funding to establish 4 Eligibility Specialist positions to handle | | |
| 31 | increased caseload | | |
| 32 | GENERAL FUND | 2023-24 | 2024-25 |
| 33 | Personal Services | \$83,152 | \$87,173 |
| 34 | All Other | \$6,537 | \$6,537 |
| 35 | | | |
| 36 | GENERAL FUND TOTAL | <u>\$89,689</u> | <u>\$93,710</u> |
| 37 | | | |
| 38 | OTHER SPECIAL REVENUE FUNDS | 2023-24 | 2024-25 |
| 39 | POSITIONS - LEGISLATIVE COUNT | 4 000 | 4 000 |
| 40 | Personal Services | \$249,457 | \$261,519 |
| 41 | All Other | \$26,104 | \$26,395 |
| 42 | | | |

COMMITTEE AMENDMENT



131st MAINE LEGISLATURE

LD 1522

LR 611(02)

An Act to Provide Economic Justice to Historically Disadvantaged Older Citizens by Amending the Laws Governing the Medicare Savings Program

Fiscal Note for Bill as Amended by Committee Amendment

Committee: Health and Human Services

Fiscal Note Required: Yes

A (H-661)

Fiscal Note

| | FY 2023-24 | FY 2024-25 | Projections FY 2025-26 | Projections FY 2026-27 |
|-----------------------------------|-------------|--------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$4,426,831 | \$33,095,019 | \$40,038,913 | \$40,041,331 |
| Appropriations/Allocations | | | | |
| General Fund | \$4,426,831 | \$33,095,019 | \$40,038,913 | \$40,041,331 |
| Federal Expenditures Fund | \$5,848,798 | \$43,261,931 | \$51,656,840 | \$51,656,840 |
| Other Special Revenue Funds | \$300,447 | \$287,914 | \$295,345 | \$302,775 |
| Revenue | | | | |
| Other Special Revenue Funds | \$300,447 | \$287,914 | \$295,345 | \$302,775 |

Fiscal Detail and Notes

This bill includes General Fund appropriations to the Department of Health and Human Services of \$4,426,831 in fiscal year 2023-24 and \$33,095,019 in fiscal year 2024-25 to remove the asset test for eligibility and increase the household income level to 250% of the federal poverty level in the Elderly Low-cost Drug Program, to update income eligibility for Qualified Medicare Beneficiaries to no more than 185% of the federal poverty level and to update the Qualified Individuals to more than 185% and no more than 250% of the federal poverty level. The funding also establishes 4 Eligibility Specialist positions to handle increased caseload and provides one-time funding for required technology changes. Federal Expenditures Fund and Other Special Revenue Funds allocations are also included in this bill for the FMAP match.