

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND THIRTIETH LEGISLATURE

SECOND SPECIAL SESSION
September 29, 2021

SECOND REGULAR SESSION
January 5, 2022 to May 9, 2022

THE GENERAL EFFECTIVE DATE FOR
SECOND SPECIAL SESSION
NON-EMERGENCY LAWS IS
DECEMBER 29, 2021

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
AUGUST 8, 2022

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH THE MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Augusta, Maine
2022

D. Any other money, including federal money, deposited in the fund.

4. Rulemaking. The department may adopt rules as necessary to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

**HEALTH AND HUMAN SERVICES,
DEPARTMENT OF**

Progressive Treatment Program Fund N948

Initiative: Provides funding for the Progressive Treatment Program Fund.

GENERAL FUND	2021-22	2022-23
All Other	\$0	\$160,000
GENERAL FUND TOTAL	\$0	\$160,000

See title page for effective date.

CHAPTER 746

S.P. 158 - L.D. 372

**An Act To Establish the
Hospital System Loan Fund
Program**

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation needs to take effect before the expiration of the 90-day period in order to provide financial assistance to hospitals as soon as possible so that they may continue to provide vital services to the residents of this State; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. Hospital System Loan Fund Program. Notwithstanding any provision of law to the contrary, the Hospital System Loan Fund Program, referred to in this section as "the program," is established within the Finance Authority of Maine, referred to in this section as "the authority," for the purpose of alleviating hardship on hospitals as a result of loan payments due as a result of the Medicare accelerated payment program in 42 United States Code, Section 1395g(f)(2)(C). For an applicant to participate in the program, the ap-

plicant must demonstrate to the satisfaction of the authority that the applicant faces a repayment to the Medicare program in 2022 pursuant to the Medicare accelerated payment program of more than \$12 million and less than \$18 million as of June 1, 2022; faces repayment obligations that would otherwise constitute a hardship to the hospital pursuant to 42 United States Code, Section 1395ddd(f)(1); and has less than 60 days' cash on hand as of May 1, 2022.

1. Hospital System Loan Fund. The Hospital System Loan Fund, referred to in this section as "the fund," is created as a nonlapsing, interest-earning, revolving fund to carry out the purposes of this section.

A. The authority may receive, invest and expend on behalf of the fund money from gifts, grants, bequests, loans and donations in addition to money appropriated or allocated by the State. Money received by the authority on behalf of the fund must be used for the purposes of this section. The fund must be maintained and administered by the authority.

B. Applications to participate in the program must be made available by the authority no later than June 1, 2022 and decisions must be made no later than July 1, 2022 and any loans must be issued by the authority by August 1, 2022.

C. The total amount of funding to be distributed by the authority from the fund may not exceed \$12 million. Multiple loan applications must result in a proration of funds.

D. The repayment term for a borrower is 24 months and the interest rate is zero. The loan must be repaid by a borrower in equal monthly installments beginning one month after receipt of funds. There is no penalty for early repayments. Any amounts remaining unpaid after 24 months must be recovered as a reduction to the first supplemental pool payment to the loan recipient made pursuant to rule Chapter 101: MaineCare Benefits Manual, Chapter III, Section 45.04 following the end of the 24-month repayment period.

E. A borrower receiving a loan shall participate in the Medicaid program during the term of the loan. Any unpaid amount of the loan must be repayable by the borrower within 30 days of the borrower's no longer being a Medicaid provider. The authority shall notify the Department of Health and Human Services of the loan recipients. The department shall notify the authority if during the term of the loan a borrower receiving the loan no longer participates in the Medicaid program.

F. Beginning August 1, 2024 and quarterly thereafter, the authority shall transfer the repaid principal balance to the Reserve for FAME Hospital - Hospital System Loans General Fund account established in section 2.

G. Costs and expenses incurred by the authority, including but not limited to maintaining, servicing and administering the fund, may be paid out of the fund.

2. Administration; rules. The program and the fund are administered by the authority. The authority may adopt rules to carry out the purposes of this section. Rules adopted pursuant to this subsection are routine technical rules pursuant to the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A.

3. Report. The authority shall report to the State Controller on loan disbursements and loan repayments annually, beginning on July 1, 2023, and upon the transfer of funds.

Sec. 2. Reserve for FAME Hospital - Hospital System Loans account established. Notwithstanding any provision of law to the contrary, the State Controller shall establish the Reserve for FAME Hospital - Hospital System Loans General Fund account.

Sec. 3. Transfer from MaineCare Stabilization Fund. Notwithstanding any provision of law to the contrary, at the close of fiscal year 2021-22, the State Controller shall transfer \$12 million from the available balance in the MaineCare Stabilization Fund Other Special Revenue Funds account within the Department of Health and Human Services to the General Fund unappropriated surplus.

Sec. 4. Transfer from General Fund unappropriated surplus; FAME Hospital - Hospital System Loan Fund account. Notwithstanding any provision of law to the contrary, at the close of fiscal year 2021-22, the State Controller shall transfer \$12 million from the unappropriated surplus of the General Fund to the Finance Authority of Maine's FAME Hospital - Hospital System Loan Fund Other Special Revenue Funds account.

Sec. 5. Transfer from Reserve for FAME Hospital - Hospital System Loans account; MaineCare Stabilization Fund. Notwithstanding any provision of law to the contrary, at the close of fiscal year 2024-25, the State Controller shall transfer the balance in the Reserve for FAME Hospital - Hospital System Loans General Fund account to the MaineCare Stabilization Fund Other Special Revenue Funds account within the Department of Health and Human Services.

Sec. 6. Appropriations and allocations. The following appropriations and allocations are made.

FINANCE AUTHORITY OF MAINE

Hospital - Hospital System Loans Fund N962

Initiative: Provides one-time allocation for the Hospital - Hospital System Loans Fund program.

OTHER SPECIAL REVENUE FUNDS	2021-22	2022-23
All Other	\$0	\$12,000,000
OTHER SPECIAL REVENUE	\$0	\$12,000,000
FUNDS TOTAL		

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

Effective May 8, 2022.

CHAPTER 747

S.P. 625 - L.D. 1787

An Act To Improve the Quality and Affordability of Primary Health Care Provided by Federally Qualified Health Centers

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, current MaineCare reimbursement rates for services delivered by federally qualified health centers are based on costs of providing services 20 years ago and have not been adjusted sufficiently to keep pace with increases in the costs, intensity and scope of services offered; and

Whereas, MaineCare reimbursement rates for services delivered by federally qualified health centers are substantially lower than the rates paid to certain primary care practices that offer fewer services and fewer programs designed to reduce the need for more expensive specialty and acute care than federally qualified health centers; and

Whereas, the Department of Health and Human Services is currently engaged in a process of radically revising its payment method for primary care services without considering the current inadequacy of federally qualified health center rates or the fact that federally qualified health centers are currently delivering many of the services and programs that the department is seeking to encourage by reforming its payment system; and

Whereas, the current design of the department's proposed payment reforms, which it intends to implement before the adjournment of the Second Regular Session of the 130th Legislature, will reduce payments to many federally qualified health centers; and

Whereas, in order to preserve and improve the advanced primary care model pioneered by federally qualified health centers in Maine, MaineCare payments for those services must be increased in order to reflect the