

# State Of Maine 120th Legislature

# First Regular Session

## **Bill Summaries**

# Joint Standing Committee on Health and Human Services

# August 2001

<u>Members:</u> Sen. Susan W. Longley, Chair Sen. Karl W. Turner Sen. John L. Martin

Rep. Thomas J. Kane, Chair Rep. Joseph E. Brooks Rep. Elaine Fuller Rep. Edward R. Dugay Rep. Benjamin F. Dudley Rep. Marie Laverriere-Boucher Rep. Glenys P. Lovett Rep. Thomas F. Shields Rep. Julie Ann O'Brien Rep. Robert W. Nutting

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## 120th Legislature First Regular Session

### Summary Of Legislation Before The Joint Standing Committees August 2001

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing select committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, <u>History and Final Disposition of Legislative Documents</u>, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CARRIED OVER	Bill Carried Over to Second Regular Session
CON RES XXX Ch	Bill Carried Over to Second Regular Session hapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE	Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES	
	ccepts ONTP report; the other indefinitely postpones the bill
	Action incomplete when session ended; bill died
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE	Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	Bill failed to get majority vote
FAILED MANDATE ENACTMENT	Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY REFORE THE BODY	Ruled out of order by the presiding officers: hill died
INDEF PP	Bill Indefinitely Postponed
ONTP	Bill Indefinitely Postponed Ought Not To Pass report accepted
<i>OTP ND</i>	Committee report Ought To Pass In New Draft
<i>OTP ND/NT</i>	Committee report Ought To Pass In New Draft/New Title
P&S XXX	Chapter # of enacted Private & Special Law
PUBLIC XXX	Chapter # of enacted Public Law
RESOLVE XXX	Chapter # of finally passed Resolve
UNSIGNED	Bill held by Governor
VETO SUSTAINED	Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is *September 21, 2001*.

#### LD 1303

An Act to Increase Access to Health Care

#### PUBLIC 450

Sponsor(s)	Committee	Report 1 -	Amendments Adopted
SAXL	OTP-AM	MAJ	H-757 KANE
MARTIN	OTP-AM	MIN	

LD 1303 contains a number of provisions to expand access to health care and increase the cigarette tax. This bill proposed to do the following:

- 1. Increase income eligibility for the Medicaid program for parents and caretaker relatives of children receiving Medicaid coverage from 150% to 200% of the nonfarm income official poverty line;
- 2. Provide eligibility for Medicaid coverage to noncategorically eligible adults with an income up to 200% of the federal nonfarm official poverty line and to self-employed persons and sole proprietors and members of their immediate families on a buy-in basis;
- 3. Increase the income eligibility for children in the Cub Care program from 200% to 300% of the federal nonfarm official poverty line;
- 4. Provide for an enrollment period in the Cub Care program of 12 months;
- 5. Provide asset exemptions in the Medicaid program for adults for certain 2nd vehicles, certain savings accounts, life insurance, educational savings and savings for a single person or married person living alone of \$8,000 and for married persons living together of \$12,000. The bill proposed to require the Department of Human Services to implement an electronic benefit transfer system for the delivery of services under the Medicaid program by October 1, 2001;
- 6. Require the Department of Human Services to implement an electronic application system that will receive applications electronically and provide electronically a preliminary determination of eligibility;
- 7. Provide for 12-month enrollment periods in the Medicaid program for children and for adults to the extent possible under federal law or pursuant to a waiver;
- 8. Require outreach services, including Medicaid managed care ombudsman services, under the Medicaid and Cub Care programs and provide for the Department of Human Services to contract with independent entities, including participating insurance producers for outreach services and an independent nonprofit entity to provide the toll-free telephone number services;
- 9. Expand the basic component of the elderly low-cost drug program to cover cancer drugs. This would mean that prescription drugs for cancer would be provided to the consumer with a maximum co-pay of 20%;
- 10. Require the Department of Human Services to amend the rules allowing persons with disabilities to purchase coverage in the Medicaid program. The rules would maintain income eligibility limits while removing separate limits of earned and unearned income and provide eligibility for employed persons who have a medically improved disability;

- 11. Allocate funds from the Maine Health Access Fund for dental health screenings and dental sealants of \$150,000 in each year;
- 12. Direct the Department of Human Services, Bureau of Health to undertake an initiative to expand access to primary and preventive health care. It proposed to appropriate \$2,000,000 in each year for the support of the community health centers and the federally qualified health center look-alikes. Because some of this funding would be used for Medicaid match to federal funds, the bill proposed to allocate matching federal funding;
- 13. Appropriate \$10,000 in each year to be used as the match for federal funds available for the Department of Human Services, Bureau of Health, Office of Health, Data and Program Management and funding for the Office for Rural Health and Primary Care;
- 14. Require the Department of Human Services to pursue the recovery of overcharges by prescription drug manufacturers through the Medicaid program;
- 15. Establish the Maine Health Access Fund to receive funds from the tobacco tax increase and allocate those funds to health care expansion initiatives;
- 16. Increase the tobacco tax by 25 mills per cigarette, which equals 50¢ for each package of cigarettes beginning November 1, 2001 and dedicate the tax increase to the Maine Health Access Fund; and
- 17. Establish the Commission to Study the Group Purchasing of Prescription Drugs.

**Committee Amendment ''A'' (H-639)** is the majority report of the committee. It proposed to replace the bill. It proposed provisions to expand access to health care. This amendment proposed the following:

- Provide eligibility for Medicaid coverage to noncategorically eligible adults with an income up to 125% of the federal nonfarm official poverty line under a federal waiver. It proposed to begin a process of applying for a waiver to provide Medicaid coverage to self-employed persons and sole proprietors and members of their immediate families below 300% of the nonfarm income official poverty line on a buy-in basis. This selfemployed and sole proprietor provision would not take effect without legislative approval granted after the approval of the waiver by the Health Care Financing Administration. It proposed to direct the Department of Human Services to undertake a study regarding health coverage for individuals, employees and employers in small businesses;
- 2. Increase the income eligibility for children in the Cub Care program from 200% to 250% of the federal nonfarm official poverty line;
- 3. Provide for an enrollment period in the Cub Care program of 12 months;
- 4. Provide asset exemptions in the Medicaid program for adults for certain 2nd vehicles, certain retirement savings accounts, life insurance, educational savings and savings for an individual living alone of \$8,000 and for a household of \$12,000. The amendment proposed to require the Department of Human Services to adopt rules regarding exempt assets;
- 5. Provide for 12-month enrollment periods in the Medicaid program for children and for adults to the extent possible under federal law or pursuant to a waiver;

- 6. Expand the basic component of the elderly low-cost drug program to cover cancer drugs. This would mean that prescription drugs for cancer would be provided to the consumer with a maximum copay of 20%;
- 7. Require the Department of Human Services to amend the rules allowing persons with disabilities to purchase coverage in the Medicaid program. The rules would maintain combined income eligibility limits of 250% of the federal poverty line while removing a separate limit on unearned income.
- 8. Appropriate funds for dental health screenings and dental sealants of \$150,000 in each year;
- 9. Direct the Department of Human Services, Bureau of Health to undertake an initiative to expand access to primary and preventive health care. It proposed to appropriate \$1,700,000 in fiscal year 2001-02 and \$2,200,000 in fiscal year 2002-03 for the support of the federally qualified health centers, the federally qualified health center look-alikes and certain rural health clinics. Because some of this funding would be used for Medicaid match to federal funds, the amendment proposed to allocate matching federal funding;
- 10. Appropriate \$10,000 in each year to be used as the match for federal funds available for the Department of Human Services, Bureau of Health, Office of Health, Data and Program Management and funding for the Office for Rural Health and Primary Care;
- 11. Rename the Medicaid and Cub Care programs the MaineCare program; and
- 12. Provide funding for the provisions of the amendment and adds a fiscal note.

(Not adopted)

**Committee Amendment "B" (H-640)** is the minority report of the committee. It proposed to replace the bill. It proposed a number of provisions to expand access to health care. This amendment proposed to do the following:

- 1. Provide for an enrollment period in the Cub Care program of 12 months.
- 2. Provide eligibility for Medicaid coverage to noncategorically eligible adults with an income up to 125% of the federal nonfarm official poverty line under a federal waiver. It proposed to begin a process of applying for a waiver to provide Medicaid coverage to self-employed persons and sole proprietors and members of their immediate families with incomes below 300% of the nonfarm income official poverty line on a buy-in basis. This self-employed and sole proprietor provision would not take effect without legislative approval granted after the approval of the waiver by the Health Care Financing Administration. It proposed to direct the Department of Human Services to undertake a study regarding health coverage for individuals, employees and employers in small businesses;
- 3. Appropriate \$10,000 in each year to be used as the match for federal funds available for the Department of Human Services, Bureau of Health, Office of Health, Data and Program Management and funding for the Office for Rural Health and Primary Care;
- 4. Rename the Medicaid and Cub Care programs the MaineCare program; and
- 5. Add appropriation and allocation sections and a fiscal note to the bill.

(Not adopted)

Senate Amendment "A" to Committee Amendment "A" (S-396) proposed to raise the cigarette tax by 7 cents effective October 1, 2001, to provide \$2,000,000 and \$2,932,333 to add cancer to the list of diseases covered by the basic component of the Elderly Low-Cost Drug Program, and to establish the Affordable Health Care Fund. (Not adopted)

**House Amendment "C" to Committee Amendment "A" (H-748)** proposed to raise the cigarette tax by 3 mills effective October 1, 2001, establish the Affordable Health Care Fund, fund cancer as a basic component disease in the Elderly Low-Cost Drug Program and provide some funding through use of the net operating loss carryback. (Not adopted)

**House Amendment "A" (H-757)** proposed to provide Medicaid coverage for adults up to 100% of the federal poverty level, with adjustment by the commissioner of Human Services up to 125% if funding permits. The amendment proposed to establish a 12-month enrollment period in the Cub Care Program. The amendment proposed to establish new asset limits in Medicaid. The amendment proposed to direct the Department of Human Services to maximize prescription drug coverage in the pending Medicaid waiver application. The amendment proposed to provide \$420,000 over the biennium for rural health care and to fund 11 positions and some costs in the Bureau of Medicai Services and the Bureau of Family Independence. The amendment proposed to provide \$824,150 in FY 01-02 and \$75,000 in FY 02-03 to support rural health care and subsidies for persons enrolled in community health access programs. The amendment proposed to direct the Department of Human Services to apply for a Medicaid waiver for noncategorically eligible adults. The amendment proposed to rename the Medicaid and Cub Care programs the MaineCare program. The amendment proposed to increase the cigarette tax 3 mills (6 cents) beginning October 1, 2002. The amendment proposed to establish the Maine Health Access Fund to receive unexpended balances appropriated within the Act.

#### Enacted law summary

Public Law 2001, chapter 450 contains a number of provisions to expand access to health care and increase the cigarette tax. This bill also does the following.

- 1. It provides eligibility for Medicaid coverage to noncategorically eligible adults with incomes up to 100% of the federal nonfarm official poverty line and directs the Department of Human Services to apply for a Medicaid waiver.
- 2. It provides for an enrollment period in the Cub Care program of 12 months.
- 3. It provides asset exemptions in the Medicaid program for adults for certain 2nd vehicles and savings accounts for a single person or married person living alone of \$8,000 and for married persons living together of \$12,000.
- 4. It provides for 12-month enrollment periods in the Medicaid program for children and for adults to the extent possible under federal law or pursuant to a waiver.
- 5. It establishes the Maine Health Access Fund to receive certain unexpended balances.
- 6. It appropriates \$410,000 and \$10,000 for rural healthcare and \$824,150 and \$75,000 for services in health centers and clinics and to provide subsidies for persons in community health access programs.

- 7. It increases the tobacco tax by 3 mills per cigarette, which equals 6 cents for each package of cigarettes, beginning October 1, 2001.
- 8. It renames the Medicaid and Cub Care programs the MaineCare program.

LD 1304	An Act to Create the Maine Health Data Processing Center	PUBLIC 456
		EMERGENCY

Sponsor(s)	Committee Report	Amendments Adopted
FULLER	OTP-AM	H-620
RAND		H-723

LD 1304 proposed to establish the Maine Health Data Processing Center, a nonprofit organization to collect and process health care claims data in Maine. The center would be created as a public/private partnership that can capitalize on the interests, resources and efforts of each sector. The center would carry out its responsibilities with direction from the Maine Health Data Organization and the Maine Health Information Center, a private nonprofit health care data organization.

**Committee Amendment "A" (H-620)** proposed to replace the bill. It proposed to retain the provisions of the bill that establish the Maine Health Data Processing Center, a nonprofit organization to collect and process health care claims data in Maine. The center would be created as a public/private partnership that would capitalize on the interests, resources and efforts of each sector. The center would carry out its responsibilities with direction from the Maine Health Data Organization and the Maine Health Information Center, a private nonprofit health care data organization. It proposed to clarify that all data handled by the center remains the property of the Maine Health Data Organization. It proposed to provide that the center is subject to the Freedom of Access law, the Maine Revised Statutes, Title 1, chapter 13, subchapter I. It proposed to provide for auditing. It proposed to repeal the chapter of law that establishes and governs the center on September 1, 2005. It proposed to add emergency language and add an allocation section and a fiscal note.

**Committee Amendment "B" (H-723)** proposed to remove the emergency preamble and emergency clause from Committee Amendment "A."

#### Enacted law summary

Public Law 2001, chapter 453 establishes the Maine Health Data Processing Center, a nonprofit organization, to collect and process health care claims data in Maine. The center is created as a public/private partnership that can capitalize on the interests, resources and efforts of each sector. The center carries out its responsibilities with direction from the Maine Health Data Organization and the Maine Health Information Center, a private nonprofit health care data organization.

All data handled by the center remains the property of the Maine Health Data Organization. The center is subject to the Freedom of Access law, the Maine Revised Statutes, Title 1, chapter 13, subchapter I. The law repeals the chapter of law that establishes and governs the center on September 1, 2005.

Public Law 2001, chapter 456 was enacted as an emergency measure effective June 28, 2001.