

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Provide Health Care Insurance to Volunteer Public Safety Personnel

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

Sec. 1. 24-A MRSA §6903, sub-§7, as enacted by PL 2003, c. 469, Pt. A, §8, is amended to read:

7. Eligible individual. "Eligible individual" means:

A. A self-employed individual who:

(1) Works and resides in the State; and

(2) Is organized as a sole proprietorship or in any other legally recognized manner in which a self-employed individual may organize, a substantial part of whose income derives from a trade or business through which the individual has attempted to earn taxable income;

B. An unemployed individual who resides in this State; ~~or~~

C. An individual employed in an eligible business that does not offer health insurance; ~~or~~

D. An individual who acts as a volunteer firefighter or who voluntarily provides emergency services or police services for a county, municipality or other local unit of government and who is not eligible for MaineCare or employer-sponsored health insurance.

Sec. 2. 24-A MRSA §6912, as amended by PL 2005, c. 400, Pt. A, §§7 to 9, is further amended to read:

§ 6912.Subsidies

Dirigo Health may establish sliding-scale subsidies for the purchase of Dirigo Health Program coverage paid by eligible individuals or employees whose income is under 300% of the federal poverty level. Dirigo Health may also establish sliding-scale subsidies for the purchase of employer-sponsored health coverage paid by employees of businesses with more than 50 employees, whose income is under 300% of the federal poverty level. Dirigo Health shall provide subsidies for the purchase of Dirigo Health Program coverage for eligible individuals pursuant to subsection 4-A.

1. Administration. Dirigo Health shall, by rule, establish procedures to administer this section.

2. Eligibility for subsidy. To be eligible for a subsidy an individual or employee must:

A. Be enrolled in the Dirigo Health Program, have an income under 300% of the federal poverty level and be a resident of the State; or

B. Be enrolled in a health plan of an employer with more than 50 employees and have an income under 300% of the federal poverty level. The health plan must meet any criteria established by Dirigo Health. The individual must meet other eligibility criteria established by Dirigo Health.

3. Limitation of subsidies. Dirigo Health shall limit the availability of subsidies to reflect limitations of available funds.

4. Limitation on amount subsidized. Dirigo Health may limit the amount subsidized of the payment made by individual plan enrollees under section 6910, subsection 4, paragraph C to 40% of the payment to more closely parallel the subsidy received by employees except as provided in subsection 4-A. In no case may the subsidy granted to eligible individuals in accordance with subsection 2, paragraph A exceed the maximum subsidy level available to other eligible individuals.

4-A. Subsidy for volunteer firefighters and volunteer emergency services and police personnel. Notwithstanding the income eligibility requirements of subsection 2 and the limitation on subsidy amount in subsection 4, Dirigo Health shall provide a subsidy for 100% of the purchase of Dirigo Health Program coverage for individual plan enrollees eligible pursuant to section 6903, subsection 7, paragraph D.

5. Notification of subsidy. Dirigo Health shall notify applicants and their employers in writing of their eligibility and approved level of subsidy.

6. Report. Within 30 days after any subsidies are established pursuant to this section, the board shall report on the amount of the subsidies, the funding required for the subsidies and the estimated number of Dirigo Health Program enrollees eligible for the subsidies and submit the report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs, the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters and the joint standing committee of the Legislature having jurisdiction over health and human services matters.

Sec. 3. 24-A MRSA §6913, sub-§2, as amended by PL 2007, c. 1, Pt. XX, §2 and affected by §3, is further amended to read:

2. Determination of savings offset amount. The board shall determine annually a savings offset amount to be paid by health insurance carriers, employee benefit excess insurance carriers and 3rd-party administrators, not including carriers and 3rd-party administrators with respect to accidental injury, specified disease, hospital indemnity, dental, vision, disability income, long-term care, Medicare supplement or other limited benefit health insurance. The board shall determine the savings offset amount in accordance with the following:

A. Not later than January 1st of each year, the board shall prospectively determine the savings offset amount to be applied during the 12-month period beginning the immediately following July 1st;

B. To determine the savings offset amount, the board shall use the criteria and reports described in subsections 7 and 8;

C. The savings offset amount must reflect and may not exceed aggregate measurable cost savings, as determined by the board pursuant to subsection 1 except as provided in paragraph E; and

D. The savings offset amount calculation is limited to the amount of funds necessary to provide subsidies pursuant to section 6912 and to support the Maine Quality Forum established in section 6951 and may not include general administrative expenses of Dirigo Health, except for general administrative expenses of the Maine Quality Forum; and

E. In the event the amount of aggregate measurable cost savings as determined by the board pursuant to subsection 1 exceeds the amount determined by the board to be necessary to provide subsidies as required under section 6912, subsection 4-A, the board may increase the amount of the savings offset, but in no case may the savings offset amount exceed the limits established in subsection 3.

The savings offset amount determined by the board in accordance with this subsection is the determining factor for inclusion of savings offset payments in premiums through rate setting review by the bureau.

SUMMARY

This bill makes persons who act as volunteer firefighters or volunteer emergency services and police personnel for a county, municipality or local government eligible for health care coverage through the Dirigo Health Program. The bill also requires that the Dirigo Health Program pay a subsidy for 100% of the costs of that coverage. The bill gives authority to the Board of Directors of Dirigo Health to increase the amount of the savings offset payment used to fund subsidies for the program if necessary but prohibits the amount from exceeding 4.0% of annual paid claims.