

SENATE

HOUSE

DONNA BAILEY, DISTRICT 31, CHAIR
CAMERON D. RENY, DISTRICT 13
ERIC D. BRAKEY, DISTRICT 20



ANNE C. PERRY, CALAIS, CHAIR
POPPY ARFORD, BRUNSWICK
KRISTI MICHELE MATHIESON, KITTERY
ANNE-MARIE MASTRACCIO, SANFORD
JANE P. PRINGLE, WINDHAM
SALLY JEANE CLUCHEY, BOWDOINHAM
JOSHUA MORRIS, TURNER
ROBERT W. NUTTING, OAKLAND
SCOTT W. CYRWAY, ALBION
GREGORY LEWIS SWALLOW, HOULTON

COLLEEN MCCARTHY REID, PRINCIPAL LEGISLATIVE ANALYST
EDNA CAYFORD, COMMITTEE CLERK

STATE OF MAINE
ONE HUNDRED AND THIRTY-FIRST LEGISLATURE
COMMITTEE ON HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

To: Senator Margaret Rotundo, Senate Chair
Representative Melanie Sachs, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

From: Senator Donna Bailey, Senate Chair *DB*
Representative Anne C. Perry, House Chair *AP*
Joint Standing Committee on Health Coverage, Insurance and Financial Services

Date: March 7, 2024

Subject: Health Coverage, Insurance and Financial Services Committee Recommendations on the Governor's Supplemental Budget Bill (LD 2214)

We are writing to provide the recommendations of the Joint Standing Committee on Health Coverage, Insurance and Financial Services on the initiatives under the committee's policy jurisdiction included in the Governor's Supplemental Budget Bill (LD 2214). These items were considered in a joint public hearing on February 28, 2024. At a separate work session, the committee also reviewed and discussed these initiatives. We make the following recommendations.

Initiatives Included in Part A

The 10 members¹ of the committee present and voting make the following recommendations with respect to these initiatives.

The committee unanimously voted to **include** the following initiatives:

1. Ref. # 43: This initiative eliminates one-time funding for the cost of the benefit mandate providing coverage of infertility treatment as enacted by Public Law 2021, chapter 692, An Act To Provide Access to Fertility Care.
2. Ref. # 740: This initiative relates to the Board of Licensure in Medicine and continues and makes permanent one part-time Office Assistant I position previously continued by Financial Order 002855 F4 and provides funding for related All Other costs.
3. Ref. # 738: This initiative relates to the State Board of Nursing and provides funding for higher rent costs for leased office space and related STA-CAP cost.

¹ Members present: Sen. Bailey, Sen. Reny, Rep. Perry, Rep. Arford, Rep. Cyrway, Rep. Mastraccio, Rep. Mathieson, Rep. Morris, Rep. Pringle and Rep. Swallow. Members absent: Sen. Brakey, Rep. Cluchey and Rep. Nutting.

4. Ref. # 742: This initiative relates to the Board of Osteopathic Licensure and provides funding for higher rent costs for leased office space and related STA-CAP cost.

The committee voted 7-3² to **include** the following initiative:

1. Ref. #44: This initiative provides ongoing funding for the cost of the benefit mandate providing coverage of infertility treatment as enacted by Public Law 2021, chapter 692, An Act To Provide Access to Fertility Care. The members who do not support including this initiative also recommend the repeal of Public Law 2021, chapter 692, An Act To Provide Access to Fertility Care for health plans effective on or after January 1, 2026.

Language Part DDD

The committee voted 10-0³ to **include** the language to update the effective date of Public Law 2023, chapter 329, §2 to January 1, 2025 to be consistent with the intent of that allocations in that section to provide funding and authority for a Comprehensive Health Planner II to support the anticipated increase in workload associated with joining the Physical Therapy Licensure Compact on January 1, 2026.

Additional Recommendations for New Initiatives

The 10 members⁴ of the committee present and voting also unanimously voted to recommend the inclusion of 2 additional initiatives.

Funding for Office of Professional and Financial Regulation: The committee recommends that additional funding from the General Fund be provided to the Department of Professional and Financial Regulation, Office of Professional and Occupational Regulation to support research or work associated with legislative initiatives outside of the core licensing functions of licensing boards, e.g. sunrise review of proposals to regulate new professions/occupations and licensing compact proposals.

Transfer of Statutory Responsibility for Collection of Opioid Product Registration Fee: The committee recommends that the statutory responsibility to collect the opioid product registration fee pursuant to 32 MRSA Section 13800-C be transferred from the Board of Pharmacy to the Department of Health and Human Services. The Board of Pharmacy acts solely as a pass-through entity to collect the fee and then transfer the funding to the Department of Health and Human Services. the committee supports transferring the responsibility for collecting the fees so that the limited staff and resources of the Board of Pharmacy can be focused on their core licensing and oversight functions. We will be happy to provide draft language at the committee's request.

We have attached the budget worksheet provided by the Office of Fiscal and Program Review. Please let us know if we can provide any additional information or assistance in connection with above described budget items.

cc: Members, Joint Standing Committee on Health Coverage, Insurance and Financial Services

² Members in support: Sen. Bailey, Sen. Reny, Rep. Perry, Rep. Arford, Rep. Mastraccio, Rep. Mathieson and Rep. Pringle. Members not in support: Rep. Morris, Rep. Cyrway and Rep. Swallow.

³ Members present: Sen. Bailey, Sen. Reny, Rep. Perry, Rep. Arford, Rep. Cyrway, Rep. Mastraccio, Rep. Mathieson, Rep. Morris, Rep. Pringle and Rep. Swallow. Members absent: Sen. Brakey, Rep. Cluchey and Rep. Nutting.

⁴ Same as above.

Sec. A-1. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

State Benefit Mandate Defrayal Z373

Initiative: Eliminates one-time funding for the cost of the benefit mandate providing coverage of infertility treatment as enacted by Public Law 2021, chapter 692, An Act To Provide Access to Fertility Care.

Ref. #: 43 One Time Committee Vote: IN 10-0 AFA Vote: _____

	2022-23	2023-24	2024-25
GENERAL FUND			
All Other	\$0	(\$3,800,000)	(\$3,800,000)
GENERAL FUND TOTAL	\$0	(\$3,800,000)	(\$3,800,000)

Justification:

The federal Affordable Care Act requires states to defray the costs of any state benefit mandates enacted after December 31, 2011. Qualified health plan (QHP) issuers must quantify the cost attributable to each additional required benefit based on an actuarial analysis and the state must make payments for those costs either directly to the enrollee who has received the benefit or to the carrier that has paid the benefit. The defrayal only applies to individual and small group markets. This is an ongoing cost. This eliminates the one-time funding implemented in PL23, c.412.

State Benefit Mandate Defrayal Z373

Initiative: Provides ongoing funding for the cost of the benefit mandate providing coverage of infertility treatment as enacted by Public Law 2021, chapter 692, An Act To Provide Access to Fertility Care.

Ref. #: 44 Committee Vote: IN 7-3 AFA Vote: _____

	2022-23	2023-24	2024-25
GENERAL FUND			
All Other	\$0	\$3,800,000	\$3,800,000
GENERAL FUND TOTAL	\$0	\$3,800,000	\$3,800,000

Justification:

The federal Affordable Care Act requires states to defray the costs of any state benefit mandates enacted after December 31, 2011. Qualified health plan (QHP) issuers must quantify the cost attributable to each additional required benefit based on an actuarial analysis and the state must make payments for those costs either directly to the enrollee who has received the benefit or to the carrier that has paid the benefit. The defrayal only applies to individual and small group markets. This is an ongoing cost. This provides the ongoing funding eliminated in PL23, c.412.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

	2022-23	2023-24	2024-25
DEPARTMENT TOTALS			
GENERAL FUND	\$0	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0	\$0

Sec. A-27. Appropriations and allocations. The following appropriations and allocations are made.

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF

Licensure in Medicine - Board of 0376

Initiative: Continues and makes permanent one part-time Office Assistant I position previously continued by Financial Order 002855 F4 and provides funding for related All Other costs.

Ref. #: 740

Committee Vote:

IN 10-0

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2022-23	2023-24	2024-25
POSITIONS - LEGISLATIVE COUNT	0.000	0.000	0.500
Personal Services	\$0	\$0	\$20,689
All Other	\$0	\$0	\$146
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$0	\$20,835

Justification:

Continues and makes permanent one part-time (24 hours biweekly) Office Assistant I position previously continued by Financial Order 002855 F4 and provides funding for related All Other cost.

Nursing - Board of 0372

Initiative: Provides funding for higher rent costs for leased office space and related STA-CAP cost.

Ref. #: 738

Committee Vote:

IN 10-0

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2022-23	2023-24	2024-25
All Other	\$0	\$0	\$25,098
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$0	\$25,098

Justification:

The State Board of Licensure for Professional Engineers signed a new lease for a larger office space with necessary conference space after their existing lease expired. The Board of Osteopathic Licensure and the State Board of Nursing renewed their office space leases, but rates have increased.

Osteopathic Licensure - Board of 0383

Initiative: Provides funding for higher rent costs for leased office space and related STA-CAP cost.

Ref. #: 742

Committee Vote:

IN 10-0

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2022-23	2023-24	2024-25
All Other	\$0	\$0	\$6,834
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$0	\$6,834

Justification:

The State Board of Licensure for Professional Engineers signed a new lease for a larger office space with necessary conference space after their existing lease expired. The Board of Osteopathic Licensure and the State Board of Nursing renewed their office space leases, but rates have increased.

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF

DEPARTMENT TOTALS	2022-23	2023-24	2024-25
OTHER SPECIAL REVENUE FUNDS	\$0	\$0	\$52,767
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$0	\$52,767

PART DDD

Sec. DDD-1. Public Law 2023, chapter 329, §3 is amended to read:

Sec. 3. Effective Dates. Section 1 of this Act takes effect January 1, 2026. Section 2 of this Act takes effect January 1, 2025.

**PART DDD
SUMMARY**

This Part updates the effective date consistent with the allocations provided in Public Law 2023, chapter 329, §2 with the intent to provide funding and authority for a Comprehensive Health Planner II to support the anticipated increase in workload associated with joining the Physical Therapy Licensure Compact on January 1, 2026.

Vote: IN 10-0