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STATE OF MAINE
ONE HUNDRED AND THIRTIETH LEGISLATURE
COMMITTEE ON HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

To: Catherine E. Breen, Senate Chair
Teresa S. Pierce, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

From: Heather B. Sanborn, Senate Chair *HSB (cml)*
Denise A. Tepler, House Chair *DAT (cme)*
Joint Standing Committee on Health Coverage, Insurance and Financial Services

Date: February 4, 2021

Subject: Health Coverage, Insurance and Financial Services Committee
Recommendations on the Governor's Supplemental Budget Bill (LD 42)

We are writing to provide the recommendations of the Joint Standing Committee on Health Coverage, Insurance and Financial Services on the items related to the Department of Administrative and Financial Services, Accident, Sickness and Health Insurance Program and Dirigo Health, respectively, included in the Governor's Supplemental Budget Bill (LD 42). These items were considered in a joint public hearing on January 27, 2021. At a separate work session, the committee also reviewed and discussed these initiatives. We make the following recommendations.

Changes to the Accident, Sickness and Health Insurance Program (p. A-1): The committee voted 13-0 to **include** the proposed single initiative to reduce funding by freezing one vacant part-time Accountant I position. We recognize that this initiative reflects curtailments ordered in Financial Order 001152 F1.

Changes to Dirigo Health (p. A-23): The committee voted 13-0 to **include** the 4 proposed initiatives to reduce funding to the Maine Quality Forum by deferring planned contracts to validate data related to hospital-acquired infections; deferring planned upgrades and maintenance of quality data on the CompareMaine website; managing expenditures for rent; and realigning budgeted amounts for out-of-state travel to reflect actual expenditures. We recognize that these initiatives reflect curtailments ordered in Financial Order 001152 F1.

While the committee supports these reductions in funding, we do want to reiterate the important function the Maine Quality Forum performs in its collection and analysis of data

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related to hospital and health care acquired infections. The committee wants to ensure that the funding for planned contracts to externally validate data related to these infections is provided in the biennial budget.

We have attached the budget worksheet provided by the Office of Fiscal and Program Review. Thank you for your consideration of our comments.

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

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

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Accident - Sickness - Health Insurance 0455

Initiative: Reduces funding by freezing one vacant part-time Accountant I position. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 26 One Time Committee Vote: 13-0 IN AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
Personal Services	(\$16,893)	\$0	\$0
GENERAL FUND TOTAL	(\$16,893)	\$0	\$0

Justification:

This freezes a vacant part-time Accountant I position.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

DEPARTMENT TOTALS	2020-21	2021-22	2022-23
GENERAL FUND	(\$16,893)	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	(\$16,893)	\$0	\$0

Sec. A-10. Appropriations and allocations. The following appropriations and allocations are made.

DIRIGO HEALTH

Dirigo Health Fund 0988

Initiative: Reduces funding by deferring planned contracts for services related to the external validation of data on hospital health care associated infections required per Rule 90-590, Chapter 270, Uniform Reporting System for Quality Data Sets. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 142 One Time Committee Vote: 13-0 IN AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
All Other	(\$56,913)	\$0	\$0
GENERAL FUND TOTAL	<u>(\$56,913)</u>	<u>\$0</u>	<u>\$0</u>

Justification:

Over the last several years the external validations have verified the completeness and accuracy of the hospital healthcare associated infections (HAI) data Maine Hospitals are reporting. Postponing external validations performed by a contractor for a few years should not have a negative impact on the quality of HAI data submitted. Any concerns with a specific hospital will be addressed internally.

Dirigo Health Fund 0988

Initiative: Reduces funding by managing rent expenditures within available resources. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 143 One Time Committee Vote: 13-0 IN AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
All Other	(\$8,500)	\$0	\$0
GENERAL FUND TOTAL	<u>(\$8,500)</u>	<u>\$0</u>	<u>\$0</u>

Justification:

The Maine Quality Forum and the Maine Health Data Organization share office space. The Maine Health Data Organization will absorb the cost of this reduction for fiscal year 2020-21.

Dirigo Health Fund 0988

Initiative: Reduces funding by deferring planned CompareMaine website updates and maintenance. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 144 One Time Committee Vote: 13-0 IN AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
All Other	(\$26,000)	\$0	\$0
GENERAL FUND TOTAL	<u>(\$26,000)</u>	<u>\$0</u>	<u>\$0</u>

Justification:

Enhancements planned for www.CompareMaine.org to enhance content of health care quality data displayed on the site will be postponed until the appropriate level of funding is available.

Dirigo Health Fund 0988

Initiative: Reduces funding to align with projected actual expenditures for out-of-state travel. This initiative relates to the curtailments ordered in Financial Order 001152 F1.

Ref. #: 145 One Time Committee Vote: 13-0 IN AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
All Other	(\$25,852)	\$0	\$0
GENERAL FUND TOTAL	<u>(\$25,852)</u>	<u>\$0</u>	<u>\$0</u>

Justification:

No adverse impact expected as the annual meetings staff attended in previous years are now being held virtually.

DIRIGO HEALTH

DEPARTMENT TOTALS	2020-21	2021-22	2022-23
GENERAL FUND	(\$117,265)	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	<u>(\$117,265)</u>	<u>\$0</u>	<u>\$0</u>