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 Implement the Recommendations of the Advisory Council on Health Systems Development Relating to Payment Reform

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

Sec. 1. 2 MRSA §104, sub-§7, ¶F, as enacted by PL 2007, c. 441, §1, is amended to read:

F. Identifying specific potential reductions in total health care spending without shifting costs onto consumers and without reducing access to needed items and services for all persons, regardless of individual ability to pay. In identifying specific potential reductions pursuant to this paragraph, the council shall recommend methods to reduce the rate of increase in overall health care spending and the rate of increase in health care costs to a level that is equivalent to the rate of increase in the cost of living to make health care and health coverage more affordable for people in this State; and

Sec. 2. 2 MRSA §104, sub-§7, ¶G, as enacted by PL 2007, c. 441, §1, is amended to read:

G. Beginning March 1, 2008 and annually thereafter, <u>makemaking</u> specific recommendations relating to paragraphs A to F <u>and to paragraph H</u> to 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 and to any appropriate state agency-; <u>and</u>

Sec. 3. 2 MRSA §104, sub-§7, ¶H is enacted to read:

H. Reviewing and evaluating strategies for payment reform in the State's health care system to assess whether proposed payment reform efforts follow the guiding principles developed by the council and identifing any statutory or regulatory barriers to implementation of payment reform.

Sec. 4. Advisory Council on Health Systems Development; payment reform. The Advisory Council on Health Systems Development, referred to in this section as "the council," shall work collaboratively with sponsors of payment reform models and other stakeholders to advance payment reform efforts in the State. The council shall:

- 1. Consider emerging research and its implications for payment reform in the State;
- 2. Assess the merits of proposed payment reform models against the guiding principles developed by the council;
 - 3. Develop an approach for building consumer awareness of payment reform models;
 - 4. Identify any statutory and regulatory changes needed to advance models for payment reform; and
 - 5. Design a 3-year demonstration project to advance payment reform models.

The council shall consult with the Attorney General and the Department of Professional and Financial Regulation, Bureau of Insurance for technical expertise. The council shall submit to the joint standing committee of the Legislature having jurisdiction over health and human services matters and

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the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters a preliminary report outlining suggested legislation no later than December 1, 2010. The council shall submit a report that includes its findings and recommendations, including suggested legislation, for presentation to the joint standing committee of the Legislature having jurisdiction over health and human services matters and the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters no later than January 15, 2011.

Effective 90 days following adjournment of the 124th Legislature, Second Regular Session, unless otherwise indicated.