

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 Restore Eligibility and Funding for Drug Programs for the Elderly and Disabled**

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

**Sec. 1. 22 MRSA §254-D, sub-§4, ¶D**, as amended by PL 2011, c. 657, Pt. HH, §1, is further amended to read:

D. Income eligibility of individuals must be determined by this paragraph and by reference to the federal poverty guidelines for the 48 contiguous states and the District of Columbia, as defined by the federal Office of Management and Budget and revised annually in accordance with the United States Omnibus Budget Reconciliation Act of 1981, Section 673, Subsection 2, Public Law 97-35, reauthorized by Public Law 105-285, Section 201 (1998). If the household income is not more than ~~175%~~185% of the federal poverty guideline applicable to the household, the individual is eligible for the basic program and the supplemental program. Individuals are also eligible for the basic and the supplemental program if the household spends at least 40% of its income on unreimbursed direct medical expenses for prescription drugs and medications and the household income is not more than 25% higher than the levels specified in this paragraph. For the purposes of this paragraph, the cost of drugs provided to a household under this section is considered a cost incurred by the household for eligibility determination purposes.

**Sec. 2. Medicaid state plan amendment for the Medicare savings program.** Notwithstanding Public Law 2011, chapter 657, Part HH, section 2, the Department of Health and Human Services shall prepare and submit a Medicaid state plan amendment to the federal Centers for Medicare and Medicaid Services that, effective October 1, 2013, effectively increases income eligibility levels for the Medicare savings program as follows: for the Qualified Medicare Beneficiary program, to income not more than 150% of the federal poverty level; for the Specified Low-Income Medicare Beneficiary program, to income more than 150% but not more than 170% of the federal poverty level; and for the Qualified Individuals program, to income more than 170% but not more than 185% of the federal poverty level.

**Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

### **HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

#### **FHM - Drugs for the Elderly and Disabled Z015**

Initiative: Adjusts funding to restore income eligibility levels for the Medicare savings program.

**FUND FOR A HEALTHY MAINE**  
All Other

	<b>2013-14</b>	<b>2014-15</b>
	\$1,219,908	\$1,626,544

FUND FOR A HEALTHY MAINE TOTAL	\$1,219,908	\$1,626,544
--------------------------------	-------------	-------------

**FHM - Medical Care 0960**

Initiative: Adjusts funding to restore income eligibility levels for the Medicare savings program.

<b>FUND FOR A HEALTHY MAINE</b>	<b>2013-14</b>	<b>2014-15</b>
All Other	(\$1,219,908)	(\$1,626,544)
FUND FOR A HEALTHY MAINE TOTAL	(\$1,219,908)	(\$1,626,544)

**Low-cost Drugs To Maine's Elderly 0202**

Initiative: Provides funding to restore the upper income eligibility level for the Low-cost Drugs to Maine's Elderly program from 175% to 185% of the federal poverty level.

<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
All Other	\$112,154	\$149,538
GENERAL FUND TOTAL	\$112,154	\$149,538

**Medical Care - Payments to Providers 0147**

Initiative: Adjusts funding to restore income eligibility levels for the Medicare savings program.

<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
All Other	\$1,219,908	\$1,626,544
GENERAL FUND TOTAL	\$1,219,908	\$1,626,544

**Medical Care - Payments to Providers 0147**

Initiative: Restores funding for MaineCare hospital crossover payments as a result of restoring income eligibility levels for the Medicare savings program.

<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
All Other	\$1,663,554	\$2,218,072
GENERAL FUND TOTAL	\$1,663,554	\$2,218,072

<b>FEDERAL EXPENDITURES FUND</b>	<b>2013-14</b>	<b>2014-15</b>
All Other	\$2,865,588	\$3,820,785
FEDERAL EXPENDITURES FUND TOTAL	\$2,865,588	\$3,820,785

<b>HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)</b>		
<b>DEPARTMENT TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
<b>GENERAL FUND</b>	<b>\$2,995,616</b>	<b>\$3,994,154</b>
<b>FEDERAL EXPENDITURES FUND</b>	<b>\$2,865,588</b>	<b>\$3,820,785</b>
<b>FUND FOR A HEALTHY MAINE</b>	<b>\$0</b>	<b>\$0</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$5,861,204</b>	<b>\$7,814,939</b>

**Sec. 4. Contingent effective date.** Section 2 of this Act takes effect only if:

1. The Commissioner of Health and Human Services receives written approval of the application for an increase in income eligibility levels as described in section 2 from the federal Centers for Medicare and Medicaid Services or the commissioner receives written notification from the Centers for Medicare and Medicaid Services that such approval is not necessary; and

2. The Commissioner of Health and Human Services notifies the Secretary of State, the Secretary of the Senate, the Clerk of the House of Representatives and the Revisor of Statutes that written approval of the application or written notification that such approval is not necessary has been received.

### SUMMARY

In Public Law 2011, chapter 657, Part HH, the Commissioner of Health and Human Services was directed to seek a waiver to reduce income eligibility levels for the Medicare savings program by 10%. The reduction of income eligibility levels was contingent on the grant of the waiver by the federal Centers for Medicare and Medicaid Services; the waiver was granted.

This bill instructs the Commissioner of Health and Human Services to submit an application to restore income eligibility levels for the Medicare savings program to the levels they were before the waiver was granted and makes the increase contingent upon the approval of the federal Centers for Medicare and Medicaid Services. This bill also makes adjustments to appropriations and allocations to reflect the increase in the eligibility levels.