

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

Amend the bill by striking out the title and substituting the following:

'An Act To Expand MaineCare for Veterans and Low-income Residents'

Amend the bill by striking out everything after the enacting clause and inserting the following:

PART A

Sec. A-1. 22 MRSA §3174-G, sub-§1, ¶F, as amended by PL 2011, c. 380, Pt. KK, §2, is further amended to read:

F. A person 20 to 64 years of age who is not otherwise covered under paragraphs A to E when the person's family income is below or equal to 125% of the nonfarm income official poverty line, provided that the commissioner shall adjust the maximum eligibility level in accordance with the requirements of the paragraph.

(2) If the commissioner reasonably anticipates the cost of the program to exceed the budget of the population described in this paragraph, the commissioner shall lower the maximum eligibility level to the extent necessary to provide coverage to as many persons as possible within the program budget.

(3) The commissioner shall give at least 30 days' notice of the proposed change in maximum eligibility level to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over health and human services matters; ~~and~~

Sec. A-2. 22 MRSA §3174-G, sub-§1, ¶G, as enacted by PL 2011, c. 380, Pt. KK, §3, is amended to read:

G. A person who is a noncitizen legally admitted to the United States to the extent that coverage is allowable by federal law if the person is:

(1) A woman during her pregnancy and up to 60 days following delivery; or

(2) A child under 21 years of age;

Sec. A-3. 22 MRSA §3174-G, sub-§1, ¶¶H and I are enacted to read:

H. Beginning July 1, 2014, a person 21 to 64 years of age who is not otherwise eligible for medical assistance under this section, who qualifies for medical assistance pursuant to 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) and whose income is equal to or below 133% of the nonfarm income official poverty line plus 5% for the applicable family size as required by federal law. A person eligible for medical assistance under this paragraph must receive the same coverage as is provided to a person eligible under paragraph E; and

I. Beginning October 1, 2019, a person 19 or 20 years of age who is not otherwise eligible for medical assistance under this section, who qualifies for medical assistance pursuant to 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) and whose income is equal to or below 133% of the nonfarm income official poverty line plus 5% for the applicable family size as required by federal law. A person eligible for medical assistance under this paragraph must receive the same coverage as is provided to a person eligible under paragraph E.

Sec. A-4. Contingent repeal. The Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraphs H and I are repealed upon the earlier of the following:

1. The meeting of all of the following conditions:

A. The enhanced Federal Medical Assistance Percentage with respect to amounts expended for medical assistance for newly eligible Medicaid individuals described in 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) is reduced below 100% for any calendar quarter in 2014, 2015 or 2016;

B. The reduction in the enhanced Federal Medical Assistance Percentage described in paragraph A has taken effect; and

C. After the reduction of the enhanced Federal Medical Assistance Percentage as described in paragraphs A and B, the Legislature has convened and conducted a session of at least 30 calendar days; and

2. December 31, 2016.

PART B

Sec. B-1. Research organization evaluation. The Office of Fiscal and Program Review shall contract with a nonpartisan research organization, referred to in this section as "the research organization," to study the impact of the MaineCare expansion authorized in the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraphs H and I on programs and services under this Part that do not currently receive Federal Medical Assistance Percentage matching funds or do not qualify for enhanced Federal Medical Assistance Percentage matching funds under the federal Patient Protection and Affordable Care Act, 42 United States Code, Section 18001, et seq., with the goal of identifying and maximizing General Fund savings. The Commissioner of Health and Human Services, the Commissioner of Corrections and the Executive Director of the State Board of Corrections shall provide to the research organization information and assistance requested for preparation of the evaluation. In evaluating the programs and services under this Part, the research organization shall at a minimum evaluate the impact on the following programs and services: the state-funded Mental Health Services - Community, Office

of Substance Abuse and General Assistance - Reimbursement to Cities and Towns programs; the elderly low-cost drug program under Title 22, section 254-D; services provided for individuals 21 to 64 years of age who are currently eligible for MaineCare under the medically needy program; services provided under the State's demonstration project waiver under Section 1115 of the United States Social Security Act, 42 United States Code, Section 301, et seq., for individuals with HIV/AIDS; services provided for parents participating in family reunification activities; services provided for disabled individuals 21 to 64 years of age with incomes below 139% of the federal poverty level as defined by the federal Department of Health and Human Services and updated annually in the Federal Register under authority of 42 United States Code, Section 9902(2); services provided to individuals awaiting a MaineCare disability determination who are subsequently determined disabled; services provided to individuals who would have been considered eligible on the basis of a disability but for whom the full determination process was not completed; and medical services provided to persons in the care and custody of the Department of Corrections or a county correctional facility. The research organization also shall examine the amount of payment for services that hospitals received during fiscal years 2014-15 and 2015-16 as a result of the expansion of MaineCare eligibility pursuant to Title 22, section 3174-G, subsection 1, paragraphs H and I. In addition, the research organization shall evaluate any savings and the impact on health outcomes achieved through initiatives implemented pursuant to the state innovation models initiative grant.

The research organization shall report twice, no later than February 15, 2015 and February 15, 2016, respectively, 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 health and human services matters and the joint standing committee of the Legislature having jurisdiction over criminal justice and public safety matters on the amount of General Fund savings resulting from the MaineCare expansion authorized in Title 22, section 3174-G, subsection 1, paragraphs H and I and by the research organization pursuant to this section. The reports must include the amount of savings expected and realized during fiscal years 2014-15 and 2015-16 by service area or program, the amount deposited in the MaineCare Stabilization Fund pursuant to section 3 of this Part and the amount of savings projected to be achieved through fiscal year 2020-21 by service area or program.

Sec. B-2. Health insurance marketplace report. The Office of Fiscal and Program Review shall contract with a nonpartisan research organization to examine the financial feasibility of providing health care coverage to newly eligible MaineCare members through a health insurance marketplace in a manner similar to that of Medicaid expansion coverage in Arkansas or Iowa and the feasibility of establishing a state basic health program similar to Washington's basic health plan. The Office of Fiscal and Program Review shall report by February 15, 2015 to the joint standing committee of the Legislature having jurisdiction over health and human services matters regarding the feasibility of providing health care coverage to newly eligible MaineCare members through a health insurance marketplace in a manner similar to that of Medicaid expansion coverage in Arkansas or Iowa and the feasibility of establishing a state basic health program similar to Washington's basic health plan.

Sec. B-3. Calculation and transfer. Notwithstanding any other provision of law, the State Budget Officer shall calculate the amount of savings identified in this Part that applies against each General Fund account statewide as a result of the expansion of MaineCare eligibility authorized in the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraphs H and I and shall transfer the amounts up to the amounts specified in section 5 of this Part by financial order upon the approval of

the Governor. These transfers are considered adjustments to appropriations in fiscal year 2014-15. The State Controller shall transfer any amounts identified under this Part greater than the amounts specified in section 5 of this Part to the MaineCare Stabilization Fund established under Title 22, section 3174-KK. The State Budget Officer shall provide a report of the transferred amounts to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs no later than April 30, 2015 for fiscal year 2014-15 and shall submit adjustments to baseline budget requests totaling no less than \$11,800,000 per year to reflect the continuation of the identified savings in the 2016-2017 biennium.

Sec. B-4. Review and responsibility. Following receipt of the reports from the research organization as required under section 1 of this Part, the joint standing committee of the Legislature having jurisdiction over health and human services matters shall review the information provided in the reports and shall determine if the net cost to the General Fund of providing coverage under the MaineCare program to individuals pursuant to the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraphs H and I exceeds the savings to the General Fund, including any amount deposited in the MaineCare Stabilization Fund pursuant to section 3 of this Part, due to the expansion of coverage for those individuals. Following its review of the report received on February 15, 2016 pursuant to section 2 of this Part the joint standing committee may report out a bill to the Second Regular Session of the 127th Legislature regarding determinations and conclusions of the report.

Sec. B-5. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Executive Branch Departments and Independent Agencies - Statewide 0017

Initiative: Deappropriates funds on a statewide basis for initial savings to be identified under this Part in existing state programs that result from the expansion of MaineCare eligibility.

GENERAL FUND	2013-14	2014-15
Unallocated	\$0	(\$5,900,000)
GENERAL FUND TOTAL	\$0	(\$5,900,000)

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF DEPARTMENT TOTALS GENERAL FUND	2013-14 \$0	2014-15 (\$5,900,000)
DEPARTMENT TOTAL - ALL FUNDS	\$0	(\$5,900,000)

LEGISLATURE

Legislature 0081

Initiative: Provides one-time funding for the Office of Fiscal and Program Review to contract with a nonpartisan research organization to evaluate the impact of the expansion of MaineCare eligibility.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$100,000
GENERAL FUND TOTAL	\$0	\$100,000

LEGISLATURE		
DEPARTMENT TOTALS	2013-14	2014-15
GENERAL FUND	\$0	\$100,000
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$100,000

SECTION TOTALS	2013-14	2014-15
GENERAL FUND	\$0	(\$5,800,000)
SECTION TOTAL - ALL FUNDS	\$0	(\$5,800,000)

PART C

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

HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)

Medical Care - Payments to Providers 0147

Initiative: Provides funds for the costs of MaineCare coverage through December 31, 2016, for childless adults at or below 133% of the nonfarm income official poverty line plus 5% for the applicable family size as required by federal law.

FEDERAL EXPENDITURES FUND	2013-14	2014-15
All Other	\$0	\$327,657,166
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$327,657,166

Office of Family Independence - District 0453

Initiative: Provides funding for 6 Family Independence Unit Supervisor positions, 13 Office Assistant II positions and 64 Eligibility Specialist positions in the Office of Family Independence - District program and for related All Other costs necessary to implement and administer the MaineCare eligibility changes. This assumes the Eligibility Specialist positions are funded 25% General Fund and 75% Other Special Revenue Funds and the other positions are funded 50% General Fund and 50% Other Special Revenue Funds.

GENERAL FUND	2013-14	2014-15
POSITIONS - LEGISLATIVE COUNT	0.000	83.000
Personal Services	\$0	\$1,909,557
All Other	\$0	\$95,105
GENERAL FUND TOTAL	\$0	\$2,004,662

OTHER SPECIAL REVENUE FUNDS	2013-14	2014-15
Personal Services	\$0	\$4,325,301
All Other	\$0	\$381,651
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$4,706,952

Office of MaineCare Services 0129

Initiative: Provides funding for the one-time costs of changes to the Maine Integrated Health Management Solution and the Automated Client Eligibility System as a result of expanding MaineCare eligibility.

GENERAL FUND	2013-14	2014-15
All Other	\$0	\$110,539
GENERAL FUND TOTAL	\$0	\$110,539

FEDERAL EXPENDITURES FUND	2013-14	2014-15
All Other	\$0	\$994,852
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$994,852

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

DEPARTMENT TOTALS	2013-14	2014-15
GENERAL FUND	\$0	\$2,115,201

FEDERAL EXPENDITURES FUND	\$0	\$328,652,018
OTHER SPECIAL REVENUE FUNDS	\$0	\$4,706,952
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$335,474,171

PART D

Sec. D-1. Written notices required regarding MaineCare coverage. At the time of enrolling in the MaineCare program a member who is eligible under the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H or I, the Department of Health and Human Services shall provide written notice that is readable at the 6th-grade reading level to the member that the member's MaineCare coverage will end no later than December 31, 2016 unless a law is passed to extend coverage past that date.'

SUMMARY

This amendment replaces the concept draft. The amendment contains the following provisions.

Part A expands medical coverage under the MaineCare program to adults who qualify under federal law with incomes up to 133% of the nonfarm income official poverty line, with the 5% federal income adjustment for family size, and qualifies Maine to receive federal funding for 100% of the cost of coverage for members who enroll under the expansion. Adults eligible are those 21 to 64 years of age, effective July 1, 2014, and, if the expansion of MaineCare coverage is not repealed, adults 19 and 20 years of age, beginning October 1, 2019. The expansion of Medicaid eligibility contained in this Part is repealed the earlier of either December 31, 2016 or 3 circumstances occurring: the enhanced Federal Medical Assistance Percentage for calendar years 2014 to 2016 is reduced below certain stated levels; the reduced enhanced Federal Medical Assistance Percentage has taken effect; and after the occurrence of the reduction of the enhanced Federal Medical Assistance Percentage the Legislature has convened and conducted a session of at least 30 calendar days.

Part B requires the Office of Fiscal and Program Review to contract with a nonpartisan research organization to evaluate the financial feasibility of providing health care coverage to newly eligible MaineCare members through the health insurance marketplace, modeled after Medicaid expansion coverage in Arkansas or Iowa, and the feasibility of establishing a state basic health program similar to Washington's basic health plan and to report the findings of the evaluation to the joint standing committee of the Legislature having jurisdiction over health and human services matters by February 15, 2015. It directs the Office of Fiscal and Program Review to contract for an examination of the impact of the MaineCare expansion on programs and services that do not currently receive Federal Medical Assistance Percentage matching funds or do not qualify for enhanced Federal Medical Assistance Percentage matching funds under the federal Patient Protection and Affordable Care Act, 42 United States Code, Section 18001 et seq., with the goal of identifying and maximizing General Fund savings. It requires that the research organization report by February 15, 2015 and February 15, 2016 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 health and human services matters

and the joint standing committee of the Legislature having jurisdiction over criminal justice and public safety matters on the amount of General Fund savings resulting from the MaineCare expansion. The reports must include the amount of savings expected and realized during fiscal years 2014-15 and 2015-16 by service area or program. It requires the State Budget Officer to calculate the amount of savings that applies against each General Fund account for all departments and agencies from savings associated with the MaineCare expansion and to transfer the amounts by financial order upon the approval of the Governor. It requires the State Controller to transfer any remaining savings to the MaineCare Stabilization Fund. It requires the State Budget Officer to provide a report of the transferred amounts to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs no later than April 30, 2015 for fiscal year 2014-15 and to submit adjustments to baseline budget requests totaling no less than \$11,800,000 per year to reflect the continuation of the identified savings in the 2016-2017 biennium.

Part C provides funding for positions in the Department of Health and Human Services, Office of Family Independence - District program.

Part D requires the department, when enrolling a MaineCare member who is eligible under the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H or I, to provide written notice that is readable at the 6th-grade reading level to the member that the member's MaineCare coverage will end no later than December 31, 2016 unless a law is passed to extend coverage past that date.