



130th MAINE LEGISLATURE

FIRST REGULAR SESSION-2021

Legislative Document

No. 1045

H.P. 773

House of Representatives, March 10, 2021

An Act To Support Universal Health Care

Reference to the Committee on Health Coverage, Insurance and Financial Services suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative BROOKS of Lewiston.
Cosponsored by Representatives: ARFORD of Brunswick, EVANS of Dover-Foxcroft,
GRAMLICH of Old Orchard Beach, MORALES of South Portland, SACHS of Freeport.

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

2 **Sec. 1. 5 MRSA §12004-G, sub-§14-J** is enacted to read:

3 **14-J.**

4 Health Care Maine Health Care Board Compensation 24-A MRSA
5 determined under 24-A §7510
6 MRSA §7510, sub-§3

7 **Sec. 2. 24-A MRSA c. 97** is enacted to read:

8 **CHAPTER 97**

9 **MAINE HEALTH CARE ACT**

10 **§7501. Short title**

11 This chapter may be known and cited as "the Maine Health Care Act."

12 **§7502. Maine Health Care Plan**

13 **1. Plan established; requirements.** The Maine Health Care Plan is established in
14 order to keep residents of this State healthy and provide the best quality of health care. The
15 Maine Health Care Plan must:

16 A. Ensure all residents of this State are covered uniformly and unrelated to their
17 employment status;

18 B. Cover all necessary care, including dental, vision and hearing, mental health,
19 chemical dependency treatment, prescription drugs, medical equipment and supplies,
20 long-term care and home care;

21 C. Allow patients to choose their providers;

22 D. Reduce costs by cutting administrative bureaucracy, not by restricting or denying
23 care;

24 E. Set premiums based on ability to pay and eliminate cost sharing;

25 F. Focus on preventive care and early intervention to improve health;

26 G. Ensure that there are enough health care providers to guarantee timely access to
27 care;

28 H. Continue the State's leadership in medical education, research and technology;

29 I. Provide adequate and timely payments to providers;

30 J. Address imbalances in access to health care in urban and rural areas;

31 K. Address socioeconomic and racial disparities in access to health care; and

32 L. Use a simple funding and payment system.

33 **2. Purpose.** The Maine Health Care Plan must provide all medically necessary health
34 care services for all residents of this State in a manner that meets the requirements of this
35 chapter.

36 **3. Definitions.** As used in this chapter, unless the context otherwise indicates, the
37 following terms have the following meanings.

38 A. "Institutional provider" means an inpatient hospital, nursing facility, rehabilitation
39 facility or other health care facility that provides overnight care.

1 B. "Maine Health Care Board" or "board" means the Maine Health Care Board as
2 established in section 7510.

3 C. "Maine Health Care Fund" or "fund" means the Maine Health Care Fund as
4 established pursuant to section 7506.

5 D. "Maine Health Care Plan" or "plan" means the Maine Health Care Plan as
6 established in subsection 1.

7 E. "Medically necessary" means, with regard to services or supplies, needed to
8 promote health and to prevent, diagnose or treat a particular patient's medical condition
9 and meeting accepted standards of medical practice within a provider's professional
10 peer group and geographic region.

11 F. "Noninstitutional provider" means an individual provider, group practice, clinic,
12 outpatient surgical center, imaging center or other health care facility that does not
13 provide overnight care.

14 **§7503. Eligibility**

15 **1. Residency.** All residents of this State are eligible for the Maine Health Care Plan.

16 **2. Enrollment; identification.** The Maine Health Care Board shall establish a
17 procedure to enroll residents and provide each with identification that may be used by
18 health care providers to confirm eligibility for services. The application for enrollment
19 must be no more than 2 pages.

20 **3. Residents temporarily out of state.** The Maine Health Care Plan must provide
21 health care coverage to residents of this State who are temporarily out of the State who
22 intend to return and reside in the State. Coverage for emergency care obtained out of the
23 State must be at prevailing local rates. Coverage for nonemergency care obtained out of
24 the State must be according to rates and conditions established by the board. The board
25 may require that a resident be transported back to the State when prolonged treatment of
26 an emergency condition is necessary and when that transport will not adversely affect a
27 patient's care or condition.

28 **4. Visitors.** Nonresidents visiting the State must be billed by the board for all services
29 received under the Maine Health Care Plan. The board may enter into intergovernmental
30 arrangements or contracts with other states and countries to provide reciprocal coverage
31 for temporary visitors.

32 **5. Nonresident employed in State.** The board shall extend eligibility for the plan to
33 nonresidents employed in this State under a premium schedule set by the board.

34 **6. Business outside of State employing residents of State.** The board shall apply for
35 a federal waiver to collect the employer contribution mandated by federal law.

36 **7. Retiree benefits.** All persons who are eligible for retiree medical benefits under an
37 employer-employee contract remain eligible for those benefits as long as the contractually
38 mandated payments for those benefits are made to the Maine Health Care Fund, which
39 assumes financial responsibility for care provided under the terms of the contract along
40 with additional health care benefits covered by the Maine Health Care Plan. Retirees who
41 elect to reside out of the State are eligible for benefits under the terms and conditions of the
42 retirees' employer-employee contract. The board may establish financial arrangements
43 with states and foreign countries in order to facilitate meeting the terms of the contracts

1 described in this subsection. Payments for care provided by providers out of the State to
2 retirees of this State must be reimbursed at rates established by the Maine Health Care
3 Board. Providers who accept any payment from the Maine Health Care Plan for a covered
4 service may not bill the patient for the covered service.

5 **8. Presumptive eligibility.** The following provisions apply.

6 A. An individual is presumed eligible for coverage under the Maine Health Care Plan
7 if the individual arrives at a health care facility unconscious, comatose or otherwise
8 unable, because of the individual's physical or mental condition, to document eligibility
9 or to act on the individual's own behalf. If the patient is a minor, the patient is presumed
10 eligible, and the health care facility shall provide care as if the patient were eligible.

11 B. An individual is presumed eligible for coverage under the Maine Health Care Plan
12 when brought to a health care facility licensed in this State for emergency care and
13 treatment in accordance with any provision of law providing for involuntary care and
14 treatment.

15 C. Any individual involuntarily committed to an acute psychiatric facility or to a
16 hospital with psychiatric beds in accordance with any provision of law providing for
17 involuntary commitment is presumed eligible for coverage under the Maine Health
18 Care Plan.

19 D. All health care facilities subject to state and federal provisions governing
20 emergency medical treatment shall comply with those provisions.

21 **9. Data.** Data collected because an individual applies for or is enrolled in the Maine
22 Health Care Plan are confidential, but may be released to:

23 A. Providers for purposes of confirming enrollment and processing payments for
24 benefits; or

25 B. The State Auditor for purposes of the duties of that office.

26 **§7504. Benefits**

27 **1. General provisions.** Any eligible individual may choose to receive services under
28 the Maine Health Care Plan from any participating provider.

29 **2. Covered benefits.** Covered health care benefits in this chapter include all medically
30 necessary care, subject to the limitations specified in this chapter. Covered health care
31 benefits for Maine Health Care Plan enrollees include:

32 A. Inpatient and outpatient health care facility services;

33 B. Inpatient and outpatient professional health care provider services;

34 C. Diagnostic imaging, laboratory services and other diagnostic and evaluative
35 services;

36 D. Medical equipment, appliances and assistive technology, including prosthetics,
37 eyeglasses and hearing aids and repair, technical support and customization needed for
38 individual use;

39 E. Inpatient and outpatient rehabilitative care;

40 F. Emergency care services;

41 G. Emergency transportation;

- 1 H. Necessary transportation for health care services for persons with disabilities or
2 who may qualify as persons with low income;
3 I. Child and adult immunizations and preventive care;
4 J. Health and wellness education;
5 K. Hospice care;
6 L. Care in a skilled nursing facility;
7 M. Home health care including health care provided in an assisted living facility;
8 N. Mental health services;
9 O. Substance use disorder treatment;
10 P. Dental care;
11 Q. Vision care;
12 R. Hearing care;
13 S. Prescription drugs;
14 T. Podiatric care;
15 U. Chiropractic care;
16 V. Acupuncture;
17 W. Therapies that are shown by the United States Department of Health and Human
18 Services, National Institutes of Health, National Center for Complementary and
19 Integrative Health to be safe and effective;
20 X. Blood and blood products;
21 Y. Dialysis;
22 Z. Adult day care;
23 AA. Rehabilitative and habilitative services;
24 BB. Ancillary health care or social services covered by the State's public health
25 programs prior to establishment of the Maine Health Care Plan;
26 CC. Case management and care coordination;
27 DD. Language interpretation and translation for health care services, including sign
28 language and Braille or other services needed for individuals with communication
29 barriers; and
30 EE. Those health care and long-term supportive services covered under the laws of
31 this State for persons receiving medical assistance from the State, including home and
32 community-based services provided under the MaineCare program or funded by the
33 State.
34 **3. Benefit expansion.** The Maine Health Care Board may expand health care benefits
35 beyond the minimum benefits described in this section when expansion meets the intent of
36 this chapter and when there are sufficient funds to cover the expansion.
37 **4. Cost sharing for the room and board portion of long-term care.** The Maine
38 Health Care Board shall develop income and asset qualifications based on state medical
39 assistance standards for covered benefits. All health care services for long-term care in a
40 skilled nursing facility or assisted living facility are fully covered but room and board costs
41 may be charged to patients who do not meet income and asset qualifications.

1 **5. Exclusions.** The following health care services may be excluded from coverage by
2 the Maine Health Care Plan:

3 A. Health care services determined to have no medical benefit by the board;

4 B. Treatments and procedures primarily for cosmetic purposes, unless:

5 (1) Required to correct a congenital defect or restore or correct a part of the body
6 that has been altered as a result of injury, disease or surgery; or

7 (2) Determined to be medically necessary by a qualified, licensed health care
8 provider in the Maine Health Care Plan; and

9 C. Services of a health care provider or facility that is not licensed or accredited by the
10 State, except for approved services provided to a resident of this State who is
11 temporarily out of the State and for approved services provided to a resident of this
12 State if the services of a health care provider or facility in the State are not available to
13 provide those services.

14 **§7505. Patient care**

15 **1. Primary care.** All patients are entitled to have a primary care provider and have
16 access to care coordination.

17 **2. Referrals not required.** Referrals are not required for a patient to see a health care
18 specialist. If a patient sees a specialist and does not have a primary care provider, the Maine
19 Health Care Plan may assist with choosing a primary care provider.

20 **3. Electronic registry.** The board may establish an electronic registry to assist patients
21 in identifying appropriate providers.

22 **§7506. Maine Health Care Fund**

23 **1. General provisions.** The board shall establish the Maine Health Care Fund to
24 implement the Maine Health Care Plan and to receive premiums and other sources of
25 revenue. The fund must be administered by a director appointed by the Maine Health Care
26 Board.

27 A. All money collected, received and transferred according to this chapter must be
28 deposited in the Maine Health Care Fund.

29 B. Money deposited in the Maine Health Care Fund must be used to finance the Maine
30 Health Care Plan.

31 C. All claims for health care services rendered must be made to the Maine Health Care
32 Fund.

33 D. All payments made for health care services must be disbursed from the Maine
34 Health Care Fund.

35 E. Premiums and other revenues collected each year must be sufficient to cover that
36 year's projected costs.

37 **2. Accounts.** The Maine Health Care Fund must have operating, capital and reserve
38 accounts.

39 **3. Operating account.** The operating account in the Maine Health Care Fund
40 comprises the accounts specified in this subsection.

1 A. The medical services account must be used to provide for all medical services and
2 benefits covered under the Maine Health Care Plan.

3 B. The prevention account must be used to establish and maintain primary community
4 prevention programs, including preventive screening tests.

5 C. The plan administration, evaluation, planning and assessment account must be used
6 to monitor and improve the plan's effectiveness and operations. The board may
7 establish grant programs including demonstration projects for this purpose.

8 D. The training and development account must be used to incentivize the training and
9 development of health care providers and the health care workforce needed to meet the
10 health care needs of the population.

11 E. The health service research account must be used to support research and innovation
12 as determined by the Maine Health Care Board.

13 **4. Capital account.** The capital account in the Maine Health Care Fund must be used
14 to pay for capital expenditures for institutional providers.

15 **5. Reserve account.** The Maine Health Care Plan must at all times hold in the reserve
16 account an amount estimated in the aggregate to provide for the payment of all losses and
17 claims for which the Maine Health Care Plan may be liable and to provide for the expense
18 of adjustment or settlement of losses and claims. Money currently held in reserve by state,
19 city and county health programs must be transferred to the Maine Health Care Fund when
20 the Maine Health Care Plan replaces those programs. The board shall adopt rules to insure
21 the Maine Health Care Plan against unforeseen expenditures or revenue shortfalls not
22 covered by the reserve account. The board may borrow money to cover temporary
23 shortfalls.

24 **§7507. Revenue sources**

25 **1. Maine Health Care Plan premium.** The Maine Health Care Board shall:

26 A. Determine the aggregate cost of providing health care according to this chapter;

27 B. Develop an equitable and affordable premium structure based on income, including
28 unearned income, and a business health tax based on payroll;

29 C. In consultation with the State Tax Assessor, develop an efficient means of collecting
30 premiums and the business health tax developed under paragraph B;

31 D. Coordinate with existing, ongoing funding sources from federal and state programs;

32 E. Base the premium structure developed under paragraph B on ability to pay; and

33 F. On or before January 15, 2022, submit to the Governor and the Legislature a report
34 on the premium structure and business health tax developed under paragraph B to
35 finance the Maine Health Care Plan.

36 **2. Federal receipts.** All federal funding received by the State, including the premium
37 subsidies under the federal Affordable Care Act, is appropriated to the Maine Health Care
38 Fund to be used to administer the Maine Health Care Plan under this chapter. Federal
39 funding that is received for implementing and administering the Maine Health Care Plan
40 must be used to provide health care for residents of this State.

41 **3. Funds from outside sources.** Institutional providers operating under Maine Health
42 Care Plan operating budgets may raise and expend funds from sources other than the Maine

1 Health Care Plan including private donors. Contributions to institutional providers in
2 excess of \$500,000 must be reported to the board.

3 **4. Governmental payments.** The Governor and, if required under federal law, the
4 Commissioner of Health and Human Services and the Commissioner of Economic and
5 Community Development shall seek all necessary waivers, exemptions, agreements and
6 legislation so that all applicable federal payments to the State, including the premium tax
7 credits under the federal Affordable Care Act, are paid directly to the Maine Health Care
8 Fund. When all required waivers, exemptions, agreements and legislation are obtained, the
9 Maine Health Care Plan assumes responsibility for all health care benefits and health care
10 services previously paid for with federal funds. In obtaining the waivers, exemptions,
11 agreements or legislation, the Governor and, if required, commissioners shall seek from the
12 Federal Government a contribution for health care services in the State that reflects:
13 medical inflation, the state gross domestic product, the size and age of the population of
14 the State, the number of residents of the State living below the poverty level and the number
15 of individuals in this State eligible for Medicare and services from the United States
16 Department of Veterans Affairs and that does not decrease in relation to the federal
17 contributions to other states as a result of the waivers, exemptions, agreements or savings
18 from implementation of the Maine Health Care Plan.

19 **5. Federal preemption.** The board shall seek to secure a repeal or a waiver of any
20 provision of federal law that preempts any provision of this chapter. The Commissioner of
21 Health and Human Services shall provide all necessary assistance. In the application for
22 an innovation waiver under Section 1332 of the federal Affordable Care Act, the board
23 shall request to waive any provisions of the federal Social Security Act and any of the
24 following provisions of the federal Affordable Care Act to the extent necessary to
25 implement this Act:

- 26 A. In 42 United States Code, Sections 18021 to 18024;
- 27 B. In 42 United States Code, Sections 18031 to 18033;
- 28 C. In 42 United States Code, Section 18071; and
- 29 D. In 26 United States Code, Sections 36B and 5000A.

30 The request for a waiver of the federal Social Security Act must seek authorization for the
31 Maine Health Care Plan to operate as a Medicare Advantage plan for eligible individuals.

32 In the event that a repeal or a waiver of law or regulations cannot be secured, the board
33 shall adopt rules, or seek conforming state legislation or state plan amendments, consistent
34 with federal law, in an effort to best fulfill the purposes of this chapter.

35 **6. Secondary to federal government programs.** The Maine Health Care Plan's
36 responsibility for providing care is secondary to existing federal government programs for
37 health care services to the extent that funding for these programs is not transferred to the
38 Maine Health Care Fund or that the transfer is delayed beyond the date on which initial
39 benefits are provided under the Maine Health Care Plan.

40 **7. No cost sharing.** Except as provided in section 7504, subsection 4, no deductible,
41 copayment, coinsurance or other cost sharing may be imposed with respect to covered
42 benefits.

1 **§7508. Subrogation**

2 **1. Collateral source.** When other payers for health care have been terminated, health
3 care costs must be collected from collateral sources whenever medical services provided to
4 an individual are, or may be, covered services under a policy of insurance, or other
5 collateral source available to that individual, or when the individual has a right of action
6 for compensation permitted under law.

7 A. As used in this section, "collateral source" includes:

8 (1) Health insurance policies and the medical components of automobile,
9 homeowner's and other forms of insurance;

10 (2) Medical components of workers' compensation;

11 (3) Pension plans;

12 (4) Employer plans;

13 (5) Employee benefit contracts;

14 (6) Government benefit programs;

15 (7) A judgment for damages for personal injury;

16 (8) The state of last domicile for individuals moving to the State for medical care
17 who have extraordinary medical needs; and

18 (9) Any 3rd party who is or may be liable to an individual for health care services
19 or costs.

20 B. As used in this section, "collateral source" does not include:

21 (1) A contract or plan that is subject to federal preemption; or

22 (2) Any governmental unit, agency or service to the extent that subrogation is
23 prohibited by law. An entity described in paragraph A is not excluded from the
24 obligations imposed by this section by virtue of a contract or relationship with a
25 governmental unit, agency or service.

26 C. The board shall negotiate waivers, seek federal legislation or make other
27 arrangements to incorporate collateral sources into the Maine Health Care Plan.

28 **2. Notification.** When an individual who receives health care services under the
29 Maine Health Care Plan is entitled to coverage, reimbursement, indemnity or other
30 compensation from a collateral source, the individual shall notify the health care provider
31 and provide information identifying the collateral source, the nature and extent of coverage
32 or entitlement and other relevant information. The health care provider shall forward this
33 information to the board. The individual entitled to coverage, reimbursement, indemnity
34 or other compensation from a collateral source shall provide additional information as
35 requested by the board.

36 **3. Reimbursement.** The Maine Health Care Board shall seek reimbursement from
37 the collateral source for services provided to the individual and may institute appropriate
38 action, including legal proceedings, to recover the reimbursement. Upon demand, the
39 collateral source shall pay to the Maine Health Care Fund the sums it would have paid or
40 expended on behalf of the individual for the health care services provided by the Maine
41 Health Care Plan.

1 A. In addition to any other right to recovery provided in this section, the board has the
2 same right to recover the reasonable value of health care benefits from a collateral
3 source as provided to the Commissioner of Health and Human Services.

4 B. If a collateral source is exempt from subrogation or the obligation to reimburse the
5 Maine Health Care Plan, the board may require that an individual who is entitled to
6 medical services from the source first seek those services from that source before
7 seeking those services from the Maine Health Care Plan.

8 C. To the extent permitted by federal law, the board has the same right of subrogation
9 over contractual retiree health care benefits provided by employers as other contracts,
10 allowing the Maine Health Care Plan to recover the cost of health care services
11 provided to individuals covered by the retiree benefits, unless arrangements are made
12 to transfer the revenues of the health care benefits directly to the Maine Health Care
13 Fund.

14 **4. Defaults, underpayments and late payments.** Default, underpayment or late
15 payment of any tax or other obligation imposed by this chapter results in the remedies and
16 penalties provided by law, except as provided in this section. Eligibility for health care
17 benefits under this chapter may not be impaired by any default, underpayment or late
18 payment of any premium or other obligation imposed by this chapter.

19 **§7509. Provider payments**

20 **1. General provisions.** All health care providers licensed to practice in this State, and
21 other providers as determined by the board, may participate in the Maine Health Care Plan.
22 A participating health care provider shall comply with all federal laws and regulations
23 governing referral fees and fee splitting, including, but not limited to, 42 United States
24 Code, Sections 1320a-7b and 1395nn, whether reimbursed by federal funds or not. A fee
25 schedule or financial incentive may not adversely affect the care a patient receives or the
26 care a health care provider recommends.

27 **2. Payments to noninstitutional providers.** The Maine Health Care Board shall
28 establish and oversee a fair and efficient payment system for noninstitutional providers in
29 accordance with this subsection.

30 A. The board shall pay noninstitutional providers based on rates negotiated with
31 providers. Rates must take into account the need to address provider shortages.

32 B. The board shall establish payment criteria and methods of payment for care
33 coordination for patients, especially those with chronic illness and complex medical
34 needs.

35 C. Providers who accept any payment from the Maine Health Care Plan for a covered
36 health care service may not bill the patient for the covered health care service.

37 D. Providers must be paid within 30 business days for claims filed following
38 procedures established by the board.

39 **3. Payments to institutional providers.** The board shall set annual budgets for
40 institutional providers. These budgets must consist of an operating and a capital budget.
41 An institution's annual budget must be set to cover its anticipated health care services for
42 the next year based on past performance and projected changes in prices and health care
43 service levels. The annual budget for each individual institutional provider must be set
44 separately. The board may not set a joint budget for a group of more than one institutional

1 provider nor for a parent corporation that owns or operates one or more institutional
2 providers.

3 **4. No balance billing.** Providers who accept any payment from the Maine Health
4 Care Plan for a covered health care service may not bill the patient for the covered health
5 care service.

6 **5. Capital investment plan.** The board shall periodically develop a capital investment
7 plan that will serve as a guide in determining the annual budgets of institutional providers
8 and in deciding whether to approve applications for approval of capital expenditures by
9 noninstitutional providers. Providers who propose to make capital purchases in excess of
10 \$500,000 must obtain board approval. The board may alter the threshold expenditure level
11 that triggers the requirement to submit information on capital expenditures. Institutional
12 providers shall propose these expenditures and submit the required information as part of
13 the annual budget they submit to the board. Noninstitutional providers shall submit
14 applications for approval of these expenditures to the board. The board shall respond to
15 capital expenditure applications in a timely manner.

16 **§7510. Maine Health Care Board**

17 **1. Establishment.** The Maine Health Care Board is established to promote the
18 delivery of high-quality, coordinated health care services that enhance health; prevent
19 illness, disease and disability; slow the progression of chronic diseases; and improve
20 personal health management. The board shall administer the Maine Health Care Plan.

21 **2. Board composition.** The board consists of 17 members, appointed by the Governor
22 subject to review by the joint standing committee of the Legislature having jurisdiction
23 over health coverage matters and to confirmation by the Legislature, as follows:

24 A. Five patient members and 5 employer members; and

25 B. Seven providers that include 3 physicians, at least one of whom must be a primary
26 care physician, one registered nurse, one mental health provider, one dentist and one
27 health care facility director.

28 **3. Term and compensation; selection of chair.** Board members serve 4-year terms.
29 Board members shall set the board's compensation at an amount not to exceed the
30 compensation of Public Utilities Commission members. The board shall select the chair
31 from its membership.

32 **4. General duties.** The board shall:

33 A. Ensure that all of the requirements of this chapter are met;

34 B. Hire a chief executive officer for the Maine Health Care Plan to administer all
35 aspects of the plan as directed by the board;

36 C. Hire a director for the Maine Health Care Fund;

37 D. Conduct necessary investigations and inquiries and require the submission of
38 information, documents and records the board considers necessary to carry out the
39 purposes of this chapter;

40 E. Establish a process for the board to receive the concerns, opinions, ideas and
41 recommendations of the public regarding all aspects of the Maine Health Care Plan and
42 establish the means of addressing those concerns;

43 F. Establish regional planning boards to assist the board in carrying out its duties;

- 1 G. Establish an ombudsman position to represent the interests of consumers of health
- 2 care and to advocate on behalf of consumers;
- 3 H. Establish a grievance process for complaints by enrollees in the Maine Health Care
- 4 Plan;
- 5 I. Conduct activities the board considers necessary to carry out the purposes of this
- 6 chapter;
- 7 J. Collaborate with the Maine Health Data Organization and the Maine Quality Forum
- 8 to assist the board in carrying out the purposes of this chapter;
- 9 K. Collaborate with the agencies that license health care facilities to ensure that facility
- 10 performance is monitored and that deficient practices are recognized and corrected in
- 11 a timely manner;
- 12 L. Adopt rules as necessary to carry out the duties assigned under this chapter;
- 13 M. Establish conflict-of-interest standards prohibiting providers from any financial
- 14 benefit from their medical decisions outside of board reimbursement;
- 15 N. Establish conflict-of-interest standards related to pharmaceutical marketing to
- 16 providers;
- 17 O. Require that all electronic health records used by providers be fully interoperable
- 18 with the open-source electronic health records system used by the United States
- 19 Department of Veterans Affairs;
- 20 P. Develop and implement a displaced worker support program to provide financial
- 21 help and assistance in retraining and job placement to the state workers who may be
- 22 displaced because of the administrative efficiencies of the Maine Health Care Plan. To
- 23 alleviate staffing displacements in the medical field, the displaced worker support
- 24 program must emphasize retraining and placement into health care-related positions if
- 25 appropriate. As residents of this State, all displaced workers must be covered under
- 26 the Maine Health Care Plan; and
- 27 Q. Develop and implement a program to negotiate prices paid by the Maine Health
- 28 Care Plan for covered pharmaceuticals, medical supplies, including biological
- 29 products, and medically necessary assistive equipment at the lowest possible cost on
- 30 an annual basis.
- 31 **5. Waiver request duties.** Before submitting an application for an innovation waiver
- 32 under Section 1332 of the federal Affordable Care Act, the board shall do the following, as
- 33 required by federal law:
- 34 A. Conduct or contract for any necessary actuarial analyses and actuarial certifications
- 35 needed to support the board's estimates that the waiver will comply with the
- 36 comprehensive coverage, affordability and scope of coverage requirements in federal
- 37 law;
- 38 B. Conduct or contract for any necessary economic analyses needed to support the
- 39 board's estimates that the waiver will comply with the comprehensive coverage,
- 40 affordability, scope of coverage and federal deficit requirements in federal law. These
- 41 analyses must include:
- 42 (1) A detailed 10-year budget plan; and

1 (2) A detailed analysis regarding the estimated impact of the waiver on health
2 insurance coverage in the State;

3 C. Establish a detailed draft implementation timeline for the waiver; and

4 D. Establish quarterly, annual and cumulative targets for the comprehensive coverage,
5 affordability, scope of coverage and federal deficit requirements in federal law.

6 **6. Financial duties.** The board shall:

7 A. Establish and collect premiums and the business health tax according to this
8 chapter;

9 B. Approve statewide and regional budgets that include budgets for accounts in
10 accordance with this chapter;

11 C. Negotiate and establish payment rates for providers;

12 D. Monitor compliance with all budgets and payment rates;

13 E. Pay claims for medical products or services as negotiated, and may issue requests
14 for proposals from state nonprofit business corporations for a contract to process
15 claims;

16 F. Seek federal approval to bill other states for health care coverage provided to
17 residents from out of the State who come to the State for long-term care or other costly
18 treatment when the resident's home state fails to provide such coverage, unless a
19 reciprocal agreement with those states to provide similar coverage to residents of this
20 State relocating to those states is negotiated;

21 G. Administer the Maine Health Care Fund;

22 H. Annually determine the appropriate level for the Maine Health Care Plan reserve
23 account under section 7506, subsection 5 and implement policies needed to establish
24 the appropriate reserve;

25 I. Implement fraud prevention measures necessary to protect the operation of the
26 Maine Health Care Plan; and

27 J. Work to ensure appropriate cost control by:

28 (1) Instituting aggressive public health measures, early intervention and preventive
29 care, health and wellness education and promotion of personal health
30 improvement;

31 (2) Making changes in the delivery of health care services and administration that
32 improve efficiency and care quality;

33 (3) Minimizing administrative costs;

34 (4) Ensuring that the delivery system does not contain excess capacity; and

35 (5) Negotiating the lowest possible prices for prescription drugs, medical
36 equipment and medical services.

37 If the board determines that there will be a revenue shortfall despite the cost control
38 measures mentioned in paragraph J, the board shall implement measures to correct the
39 shortfall, including an increase in premiums and other revenues. The board shall report to
40 the Legislature on the causes of the shortfall, reasons for the inadequacy of cost controls
41 and measures taken to correct the shortfall.

42 **7. Management duties.** The board shall:

- 1 A. Develop and implement enrollment procedures for the Maine Health Care Plan;
2 B. Implement eligibility standards for the Maine Health Care Plan;
3 C. Arrange for health care to be provided at convenient locations, including ensuring
4 the availability of school nurses so that all students have access to health care,
5 immunizations and preventive care at public schools and encouraging providers to
6 open small health clinics at larger workplaces and retail centers;
7 D. Establish an electronic claims and payments system for the Maine Health Care
8 Plan;
9 E. Monitor the operation of the Maine Health Care Plan through consumer surveys
10 and regular data collection and evaluation activities, including evaluations of the
11 adequacy and quality of services furnished under the plan, the need for changes in the
12 benefit package, the cost of each type of service and the effectiveness of cost control
13 measures under the plan;
14 F. Disseminate information and establish a publicly accessible health care website to
15 provide information to the public about the Maine Health Care Plan;
16 G. Collaborate with public health agencies, schools and community clinics;
17 H. Ensure that Maine Health Care Plan policies and providers, including public health
18 providers, support all residents of this State in achieving and maintaining optimum
19 physical and mental health; and
20 I. Annually report to the joint standing committee of the Legislature having jurisdiction
21 over health coverage matters on the performance of the Maine Health Care Plan, the
22 fund's fiscal condition and need for payment adjustments, recommendations for
23 statutory changes, receipt of revenue from all sources, whether current year goals and
24 priorities are met, future goals and priorities, major new technology or prescription
25 drugs and other circumstances that may affect the cost or quality of health care.

26 **8. Policy duties.** The board shall:

- 27 A. Develop and implement cost control and quality assurance procedures;
28 B. Implement policies to ensure strong public health services including education and
29 community-based preventive health care and clinical services;
30 C. Implement policies to ensure a continuum of coordinated high-quality primary to
31 tertiary care to all residents of this State; and
32 D. Implement policies to ensure that all residents of this State receive culturally and
33 linguistically competent care.

34 **9. Self-insurance.** The board shall determine the feasibility of self-insuring providers
35 for malpractice and shall establish a self-insurance system and create a special fund for
36 payment of losses incurred if the board determines self-insuring providers would reduce
37 costs.

38 **10. Audit.** The Maine Health Care Plan must be audited annually by the State Auditor.
39 The board may, in its discretion, arrange for an independent audit to be conducted. A copy
40 of the audit must be provided to the State Controller, to the joint standing committee of the
41 Legislature having jurisdiction over appropriations and financial affairs and to the joint
42 standing committee of the Legislature having jurisdiction over health coverage matters.

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§7511. Implementation

The Maine Health Care Plan must be operational beginning January 1, 2024. Beginning on the date the Maine Health Care Plan becomes operational, a health care plan may not be sold in this State for services provided by the Maine Health Care Plan.

SUMMARY

This bill establishes the Maine Health Care Plan to provide universal health care coverage to all residents of this State. The bill is modeled on proposed legislation considered in Minnesota.