



# Consumers for Affordable Health Care

Advocating the right to quality, affordable  
health care for all Mainers.

P.O. Box 2490  
Augusta, ME 04338

Telephone: 1-800-965-7476  
Fax: 1-888-214-5233  
[www.maineahc.org](http://www.maineahc.org)  
[consumerhealth@maineahc.org](mailto:consumerhealth@maineahc.org)

**Testimony Neither For Nor Against**  
***An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025***

**Tuesday, February 21, 2023**

Senators Rotundo and Baldacci, Representatives Sachs and Meyer, and esteemed members of the Joint Standing Committees on Appropriations and Financial Affairs and Health and Human Services. Thank you for the opportunity to submit these comments regarding aspects of the Recommended 2024-2025 Biannual Budget related to Children's Services.

My name is Kate Ende and I am the Policy Director at Consumers for Affordable Health Care (CAHC), a nonpartisan, nonprofit organization that advocates for Maine people to be heard, respected, and well-served in a health system that provides coverage, access and quality, affordable care to all.

CAHC is designated by Maine's Attorney General and Bureau of Insurance as Maine's Health Insurance Consumer Assistance Program (CAP). The CAP program provides toll-free and in-person access to certified application counselors and trained individuals who help Mainers understand their health coverage options and apply and enroll in private health insurance. The program also provides assistance to Mainers in appealing inappropriate health insurance denials and links people to safety net programs when necessary, to meet health care and other basic needs. CAHC also serves as the Ombudsman program for Maine's Medicaid program, MaineCare, and helps people with applying for and navigating the enrollment process for MaineCare coverage. It is from our experience assisting Mainers in navigating health coverage programs that we offer the following comments.

**Medical Care – Payments to Providers Waive Children's Health Insurance program premiums and expand eligibility for specified insurance program (p. A-366)**

MaineCare and the Children's Health Insurance Program ("CHIP") help Maine children get the care they need to be healthy and reach their full potential. Studies show that kids with health insurance are more likely to get the medical care they need, including essential preventive services to keep them healthy. Insured children are also better equipped to do well in school.

We appreciate that the biannual budget proposal includes funding needed to expand eligibility and to eliminate waiting periods and premiums in Maine's CHIP program. However, we have questions regarding the proposed timeline included for these changes.

Section CCC of the 2022-2023 supplemental budget made several changes to Maine's CHIP program, including:

- increasing income eligibility from 200% to 300% of the Federal Poverty Level (PLF);
- expanding eligibility to 19- and 20-year olds;
- eliminating premiums; and
- eliminating waiting periods for children previously covered by an employer-sponsored plan.<sup>1, 2</sup>

The 2022-2023 supplemental budget was enacted on April 20, 2022. However, the changes to CHIP eligibility listed above have not been implemented yet.

The 2024-2025 biannual budget proposal "provides funding to waive all Children's Health Insurance Program premiums and expand eligibility for the current Medicaid Expansion Children's Health Insurance Program population from 157% to 208% Federal Poverty Level for March 1, 2023, then to expand Children's Health Insurance Program eligibility and coverage for 19 and 20 year olds to 300% Federal Poverty Level for October 1, 2023."

We have concerns about the delay in implementation until October 1, 2023 for some of the key changes to CHIP eligibility that were enacted in last year's supplemental budget, particularly given that the federal continuous coverage requirement for Medicaid will be ending soon, which will cause many Mainers to lose their MaineCare and CHIP coverage.

On January 31, 2020, the U.S. Health & Human Services (HHS) declared a Public Health Emergency (PHE) due to COVID-19. The Families First Coronavirus Response Act (FFCRA), which passed in March of 2020 provided an increase in the regular Medicaid matching rate, contingent on states not terminating Medicaid coverage for most members. This continuous coverage requirement means that most people with MaineCare or CHIP have been able to keep their coverage since the start of the PHE even if they experienced an income or household change that would have otherwise made them ineligible for coverage.

In December 2022, Congress passed a spending bill that ends the Medicaid continuous coverage provision after March 31, 2023. The Maine Department of Health and Human Services (DHHS) will begin initiating eligibility redeterminations for MaineCare and CHIP in April 2023 and must complete redeterminations for all enrolled members by the end of May 2024. DHHS projects an estimated 65,000 to 90,000 members may lose their MaineCare eligibility during this process.<sup>3</sup>

---

<sup>1</sup> *An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2022 and June 30, 2023.* Available at:

<http://www.mainelegislature.org/legis/bills/getPDF.asp?paper=HP1482&item=3&snum=130>

<sup>2</sup> Part A, Section A-17, Medical Care - Payments to Providers 0147.

<sup>3</sup> [https://www.maine.gov/dhhs/sites/maine.gov.dhhs/files/inline-files/Presentation\\_0.pdf](https://www.maine.gov/dhhs/sites/maine.gov.dhhs/files/inline-files/Presentation_0.pdf)

If the changes to CHIP eligibility are not implemented when eligibility redeterminations resume, we are putting Maine children at risk of losing or experiencing gaps in their health coverage. While some children may be eligible for other types of coverage, such as through the Marketplace, these plans include premiums and out-of-pocket costs, such as deductibles and copays that may make it difficult for families to afford the coverage or medical care their children need. Furthermore, a recent issue brief from the Medicaid and CHIP Payment Access Commission (MACPAC) summarizing national eligibility and enrollment data in insurance affordability programs found that only about 3% of people who had Medicaid coverage enrolled in a Marketplace plan within a year of losing Medicaid. It also found that most of the people who did transition from Medicaid to the Marketplace experienced a gap in coverage.<sup>4</sup>

Implementing CHIP eligibility changes after redeterminations resume will likely cause unnecessary confusion for many families with children who become newly eligible for CHIP due to the changes in eligibility. Will families with children who lose coverage due to being over-income during their redetermination be contacted once the income limit increases to 300% FPL? Will 19- and 20- year olds who lose coverage due to their age be contacted once expanded CHIP eligibility is implemented? Will they have to submit a new application? How will we educate people about the changes in eligibility and encourage them to reapply for CHIP after they were told they were not eligible for coverage just a few months earlier? We are concerned that if a child is found to be ineligible during their annual redetermination, it will be difficult to subsequently reach and re-enroll that child in CHIP once the changes in eligibility are implemented.

Health coverage is vitally important for children. It improves their access to needed services, such as well-child checkups and medications, and provides better access to a usual source of care. Public coverage is also associated with improved educational outcomes and long-term health and economic gains.<sup>5</sup> For these reasons, it is important the eligibility changes to Maine's CHIP program that were enacted in Part CCC of the 2022-2023 supplemental budget, are implemented as quickly as possible to ensure Maine children can get and keep the health coverage they need.

We appreciate your consideration and thank you for the work you do in these committees on behalf of all Maine people.

---

<sup>4</sup> <https://www.macpac.gov/wp-content/uploads/2022/07/Coverage-transitions-issue-brief.pdf>

<sup>5</sup> Medicaid is a Smart Investment in Children (Washington, D.C.: Georgetown University Center for Children and Families, March 2017)