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Sara Gagné-Holmes
Commissioner



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April 9, 2025

Senator Ingwersen, Chair
Representative Meyer, Chair
Members, Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

Re: LD 782 - *An Act to Amend MaineCare Financial Eligibility Requirements*

Senator Ingwersen, Representative Meyer, and members of the Joint Standing Committee on Health and Human Services, thank you for the opportunity to provide information in opposition to LD 782, *An Act to Amend MaineCare Financial Eligibility Requirements*. The proposed legislation seeks to amend multiple areas of MaineCare Eligibility requirements.

Section 1 seeks to raise the income level of the elderly and disabled population from 100% to 138% of the nonfarm income official poverty line, referred to by the Department as the Federal Poverty Level (FPL). Federal law (42 United States Code, Sections 1396a (a)(10)(A)(ii)(X); 1396a (m)) does not provide options via state plan amendment or waiver to extend the income level for this optional Medicaid coverage group. Adopting this change would not align with federal law and even if permissible would require full state general funds to cover the additional population.

Sections 2 and 3, as written, appear to be seeking to adjust the income level for parent or caretaker relatives to 138%, effective October 1, 2012. The Department is unsure of the intent of the legislation as written but wants the committee to be aware there is language already providing coverage up to 138% for parents or caretakers. Currently based on the provisions at 22 MRSA §3174-H, individuals (including parents or caretakers not already covered) under the age of 65 can be covered up to 133% of the nonfarm income official poverty line + 5% (Modified Adjusted Gross Income or MAGI disregard), effectively already ensuring a 138% income limit.

Additionally, it should be noted that federal law (42 United States Code, Section 1396a(a)(10)(A)(i)(VIII)) does mandate the 133% poverty line and variance from this would misalign state regulations with federal regulations and would require funding from state general funds if the intent was to increase beyond what is already provided for.

Section 4 of the proposed legislation seeks to raise the age of eligibility for a person otherwise eligible who is a noncitizen legally admitted to the United States to the extent that coverage is allowable by federal law from under 21 years of age to under 23 years of age. Expanding coverage up to age 23 will require additional state general funds. Further, there will be a cost to changes required in the eligibility and claims systems to accommodate these policy changes.

Sections 5 and 6 would adjust the current savings exclusion amounts in 22 MRSA §3174-AA, which have not been updated in over 20 years. While we recognize that updating these amounts could be helpful for many, we wanted the committee to consider that the amounts only apply to assets that can be considered savings and in interest-bearing accounts. It is difficult to quantify how this change could immediately impact enrollment, however, if there is a change to the savings exclusions, more people who are not currently eligible due to their assets would have access to eligibility sooner before spending down their assets. This applies to all MaineCare categories with an asset test, including Long Term Care MaineCare.

We wanted you to be aware of the above information as you consider this bill going forward. If you have any further questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ian Yaffe", with a horizontal line extending from the end of the signature.

Ian Yaffe, Director
Office for Family Independence