



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1611

H.P. 1163

House of Representatives, April 23, 2019

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 Senator BELLOWS of Kennebec and
Representatives: ACKLEY of Monmouth, EVANGELOS of Friendship, FOLEY of Biddeford,
HARNETT of Gardiner, MELARAGNO of Auburn, RISEMAN of Harrison, SYLVESTER of
Portland, TIPPING of Orono.

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

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

3 **14-I.**

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

8 **Sec. 2. 24-A MRSA c. 95** is enacted to read:

9 **CHAPTER 95**

10 **MAINE HEALTH PLAN ACT**

11 **§7501. Short title**

12 This chapter may be known and cited as "the Maine Health Plan Act."

13 **§7502. Maine Health Plan**

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

17 A. Ensure all residents of this State are covered;

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;

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; and

30 J. Use a simple funding and payment system.

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

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

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

5 B. "Maine Health Board" or "board" means the Maine Health Board as established in
6 section 7510.

7 C. "Maine Health Fund" or "fund" means the Maine Health Fund as established in
8 section 7506.

9 D. "Maine Health Plan" or "plan" means the Maine Health Plan as established in
10 subsection 1.

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

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

18 **§7503. Eligibility**

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

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

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

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

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

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

1 **7. Retiree benefits.** All persons who are eligible for retiree medical benefits under
2 an employer-employee contract remain eligible for those benefits as long as the
3 contractually mandated payments for those benefits are made to the Maine Health Fund,
4 which assumes financial responsibility for care provided under the terms of the contract
5 along with additional health benefits covered by the Maine Health Plan. Retirees who
6 elect to reside out of the State are eligible for benefits under the terms and conditions of
7 the retirees' employer-employee contract. The board may establish financial
8 arrangements with states and foreign countries in order to facilitate meeting the terms of
9 the contracts described in this subsection. Payments for care provided by providers out of
10 the State to retirees of this State must be reimbursed at rates established by the Maine
11 Health Board. Providers who accept any payment from the Maine Health Plan for a
12 covered service may not bill the patient for the covered service.

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

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

20 B. An individual is presumed eligible when brought to a health care facility licensed
21 in this State for emergency care and treatment in accordance with any provision of
22 law providing for involuntary care and treatment.

23 C. Any individual involuntarily committed to an acute psychiatric facility or to a
24 hospital with psychiatric beds in accordance with any provision of law providing for
25 involuntary commitment is presumed eligible.

26 D. All health care facilities subject to state and federal provisions governing
27 emergency medical treatment must comply with those provisions.

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

30 A. Providers for purposes of confirming enrollment and processing payments for
31 benefits; or

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

33 **§7504. Benefits**

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

36 **2. Covered benefits.** Covered health care benefits in this chapter include all
37 medically necessary care, subject to the limitations specified in this chapter. Covered
38 health care benefits for Maine Health Plan enrollees include:

39 A. Inpatient and outpatient health care facility services;

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

- 1 C. Diagnostic imaging, laboratory services and other diagnostic and evaluative
- 2 services;
- 3 D. Medical equipment, appliances and assistive technology, including prosthetics,
- 4 eyeglasses and hearing aids and repair, technical support and customization needed
- 5 for individual use;
- 6 E. Inpatient and outpatient rehabilitative care;
- 7 F. Emergency care services;
- 8 G. Emergency transportation;
- 9 H. Necessary transportation for health care services for persons with disabilities or
- 10 who may qualify as persons with low income;
- 11 I. Child and adult immunizations and preventive care;
- 12 J. Health and wellness education;
- 13 K. Hospice care;
- 14 L. Care in a skilled nursing facility;
- 15 M. Home health care including health care provided in an assisted living facility;
- 16 N. Mental health services;
- 17 O. Substance use disorder treatment;
- 18 P. Dental care;
- 19 Q. Vision care;
- 20 R. Hearing care;
- 21 S. Prescription drugs;
- 22 T. Podiatric care;
- 23 U. Chiropractic care;
- 24 V. Acupuncture;
- 25 W. Therapies that are shown by the United States Department of Health and Human
- 26 Services, National Institutes of Health, National Center for Complementary and
- 27 Integrative Health to be safe and effective;
- 28 X. Blood and blood products;
- 29 Y. Dialysis;
- 30 Z. Adult day care;
- 31 AA. Rehabilitative and habilitative services;
- 32 BB. Ancillary health care or social services previously covered by the State's public
- 33 health programs;
- 34 CC. Case management and care coordination;

1 DD. Language interpretation and translation for health care services, including sign
2 language and Braille or other services needed for individuals with communication
3 barriers; and

4 EE. Those health care and long-term supportive services covered under the laws of
5 this State for persons receiving medical assistance from the State, including home and
6 community-based services provided under the MaineCare program or funded by the
7 State.

8 **3. Benefit expansion.** The Maine Health Board may expand health care benefits
9 beyond the minimum benefits described in this section when expansion meets the intent
10 of this chapter and when there are sufficient funds to cover the expansion.

11 **4. Cost sharing for the room and board portion of long-term care.** The Maine
12 Health Board shall develop income and asset qualifications based on state medical
13 assistance standards for covered benefits. All health care services for long-term care in a
14 skilled nursing facility or assisted living facility are fully covered but room and board
15 costs may be charged to patients who do not meet income and asset qualifications.

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

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

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

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

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

24 C. Services of a health care provider or facility that is not licensed or accredited by
25 the State, except for approved services provided to a resident of this State who is
26 temporarily out of the State and for approved services provided to a resident of this
27 State if the services of a health care provider or facility in the State are not available
28 to provide those services.

29 **§7505. Patient care**

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

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

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

1 **§7506. Maine Health Fund**

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

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

7 B. Money deposited in the Maine Health Fund must be used to finance the Maine
8 Health Plan.

9 C. All claims for health care services rendered must be made to the Maine Health
10 Fund.

11 D. All payments made for health care services must be disbursed from the Maine
12 Health Fund.

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

15 **2. Accounts.** The Maine Health Fund must have operating, capital and reserve
16 accounts.

17 **3. Operating account.** The operating account in the Maine Health Fund comprises
18 the accounts specified in this subsection.

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

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

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

26 D. The training and development account must be used to incentivize the training
27 and development of health care providers and the health care workforce needed to
28 meet the health care needs of the population.

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

31 **4. Capital account.** The capital account must be used to pay for capital
32 expenditures for institutional providers.

33 **5. Reserve account.** The Maine Health Plan must at all times hold in reserve an
34 amount estimated in the aggregate to provide for the payment of all losses and claims for
35 which the Maine Health Plan may be liable and to provide for the expense of adjustment
36 or settlement of losses and claims. Money currently held in reserve by state, city and
37 county health programs must be transferred to the Maine Health Fund when the Maine
38 Health Plan replaces those programs. The board shall adopt rules to insure the Maine

1 Health Plan against unforeseen expenditures or revenue shortfalls not covered by the
2 reserve account. The board may borrow money to cover temporary shortfalls.

3 **§7507. Revenue sources**

4 **1. Maine Health Plan premium.** The Maine Health Board shall:

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

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

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

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

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

13 F. On or before January 15, 2021, submit to the Governor and the Legislature a
14 report on the premium structure and business health tax developed under paragraph B
15 to finance the Maine Health Plan.

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

21 **3. Funds from outside sources.** Institutional providers operating under Maine
22 Health Plan operating budgets may raise and expend funds from sources other than the
23 Maine Health Plan including private donors. Contributions to institutional providers in
24 excess of \$500,000 must be reported to the board.

25 **4. Governmental payments.** The Governor and, if required under federal law, the
26 Commissioner of Health and Human Services and the Commissioner of Economic and
27 Community Development shall seek all necessary waivers, exemptions, agreements and
28 legislation so that all applicable federal payments to the State, including the premium tax
29 credits under the federal Affordable Care Act, are paid directly to the Maine Health Fund.
30 When all required waivers, exemptions, agreements and legislation are obtained, the
31 Maine Health Plan assumes responsibility for all health care benefits and health care
32 services previously paid for with federal funds. In obtaining the waivers, exemptions,
33 agreements or legislation, the Governor and, if required, commissioners shall seek from
34 the Federal Government a contribution for health care services in the State that reflects:
35 medical inflation, the state gross domestic product, the size and age of the population of
36 the State, the number of residents of the State living below the poverty level and the
37 number of individuals in this State eligible for Medicare and services from the federal
38 Department of Veterans Affairs and that does not decrease in relation to the federal
39 contributions to other states as a result of the waivers, exemptions, agreements or savings
40 from implementation of the Maine Health Plan.

1 **5. Federal preemption.** The board shall seek to secure a repeal or a waiver of any
2 provision of federal law that preempts any provision of this chapter. The Commissioner
3 of Health and Human Services shall provide all necessary assistance. In the application
4 for an innovation waiver under Section 1332 of the federal Affordable Care Act, the
5 board shall request to waive any of the following provisions of the federal Affordable
6 Care Act to the extent necessary to implement this Act:

7 A. In 42 United States Code, Sections 18021 to 18024;

8 B. In 42 United States Code, Sections 18031 to 18033;

9 C. In 42 United States Code, Section 18071; and

10 D. In 26 United States Code, Sections 36B and 5000A.

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

14 **6. Secondary to federal government programs.** The Maine Health Plan's
15 responsibility for providing care is secondary to existing federal government programs
16 for health care services to the extent that funding for these programs is not transferred to
17 the Maine Health Fund or that the transfer is delayed beyond the date on which initial
18 benefits are provided under the Maine Health Plan.

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

22 **§7508. Subrogation**

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

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

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

31 (2) Medical components of workers' compensation;

32 (3) Pension plans;

33 (4) Employer plans;

34 (5) Employee benefit contracts;

35 (6) Government benefit programs;

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

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

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

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

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

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

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

11 **2. Notification.** When an individual who receives health care services under the
12 Maine Health Plan is entitled to coverage, reimbursement, indemnity or other
13 compensation from a collateral source, the individual shall notify the health care provider
14 and provide information identifying the collateral source, the nature and extent of
15 coverage or entitlement and other relevant information. The health care provider shall
16 forward this information to the board. The individual entitled to coverage,
17 reimbursement, indemnity or other compensation from a collateral source shall provide
18 additional information as requested by the board.

19 **3. Reimbursement.** The Maine Health Board shall seek reimbursement from the
20 collateral source for services provided to the individual and may institute appropriate
21 action, including legal proceedings, to recover the reimbursement. Upon demand, the
22 collateral source shall pay to the Maine Health Fund the sums it would have paid or
23 expended on behalf of the individual for the health care services provided by the Maine
24 Health Plan.

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

28 B. If a collateral source is exempt from subrogation or the obligation to reimburse
29 the Maine Health Plan, the board may require that an individual who is entitled to
30 medical services from the source first seek those services from that source before
31 seeking those services from the Maine Health Plan.

32 C. To the extent permitted by federal law, the board has the same right of
33 subrogation over contractual retiree health care benefits provided by employers as
34 other contracts, allowing the Maine Health Plan to recover the cost of health care
35 services provided to individuals covered by the retiree benefits, unless arrangements
36 are made to transfer the revenues of the health care benefits directly to the Maine
37 Health Fund.

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

1 **§7509. Provider payments**

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

9 **2. Payments to noninstitutional providers.** The Maine Health Board shall
10 establish and oversee a fair and efficient payment system for noninstitutional providers in
11 accordance with this subsection.

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

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

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

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

21 **3. Payments to institutional providers.** The board shall set annual budgets for
22 institutional providers. These budgets must consist of an operating and a capital budget.
23 An institution's annual budget must be set to cover its anticipated health care services for
24 the next year based on past performance and projected changes in prices and health care
25 service levels. The annual budget for each individual institutional provider must be set
26 separately. The board may not set a joint budget for a group of more than one
27 institutional provider nor for a parent corporation that owns or operates one or more
28 institutional providers.

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

32 **5. Capital investment plan.** The board shall periodically develop a capital
33 investment plan that will serve as a guide in determining the annual budgets of
34 institutional providers and in deciding whether to approve applications for approval of
35 capital expenditures by noninstitutional providers. Providers who propose to make
36 capital purchases in excess of \$500,000 must obtain board approval. The board may alter
37 the threshold expenditure level that triggers the requirement to submit information on
38 capital expenditures. Institutional providers shall propose these expenditures and submit
39 the required information as part of the annual budget they submit to the board.
40 Noninstitutional providers shall submit applications for approval of these expenditures to
41 the board. The board shall respond to capital expenditure applications in a timely
42 manner.

1 **§7510. Maine Health Board**

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

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

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

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

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

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

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

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

22 C. Hire a director for the Maine Health Fund;

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

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

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

30 G. Establish an ombudsman position to represent the interests of consumers of health
31 care and to advocate on behalf of consumers;

32 H. Establish a grievance process for complaints by enrollees in the Maine Health
33 Plan;

34 I. Conduct other activities the board considers necessary to carry out the purposes of
35 this chapter;

36 J. Collaborate with the agencies that license health care facilities to ensure that
37 facility performance is monitored and that deficient practices are recognized and
38 corrected in a timely manner;

- 1 K. Adopt rules as necessary to carry out the duties assigned under this chapter;
- 2 L. Establish conflict-of-interest standards prohibiting providers from any financial
3 benefit from their medical decisions outside of board reimbursement;
- 4 M. Establish conflict-of-interest standards related to pharmaceutical marketing to
5 providers;
- 6 N. Require that all electronic health records used by providers be fully interoperable
7 with the open-source electronic health records system used by the United States
8 Department of Veterans Affairs; and
- 9 O. Provide financial help and assistance in retraining and job placement to the state
10 workers who may be displaced because of the administrative efficiencies of the
11 Maine Health Plan. To alleviate staffing displacements in the medical field, the
12 displaced worker support program must emphasize retraining and placement into
13 health care-related positions if appropriate. As residents of this State, all displaced
14 workers must be covered under the Maine Health Plan.
- 15 **5. Waiver request duties.** Before submitting an application for an innovation
16 waiver under Section 1332 of the federal Affordable Care Act, the board shall do the
17 following, as required by federal law:
- 18 A. Conduct or contract for any necessary actuarial analyses and actuarial
19 certifications needed to support the board's estimates that the waiver will comply with
20 the comprehensive coverage, affordability and scope of coverage requirements in
21 federal law;
- 22 B. Conduct or contract for any necessary economic analyses needed to support the
23 board's estimates that the waiver will comply with the comprehensive coverage,
24 affordability, scope of coverage and federal deficit requirements in federal law.
25 These analyses must include:
- 26 (1) A detailed 10-year budget plan; and
- 27 (2) A detailed analysis regarding the estimated impact of the waiver on health
28 insurance coverage in the State;
- 29 C. Establish a detailed draft implementation timeline for the waiver; and
- 30 D. Establish quarterly, annual and cumulative targets for the comprehensive
31 coverage, affordability, scope of coverage and federal deficit requirements in federal
32 law.
- 33 **6. Financial duties.** The board shall:
- 34 A. Establish and collect premiums and the business health tax according to this
35 chapter;
- 36 B. Approve statewide and regional budgets that include budgets for accounts in
37 accordance with this chapter;
- 38 C. Negotiate and establish payment rates for providers;
- 39 D. Monitor compliance with all budgets and payment rates;

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

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

9 G. Administer the Maine Health Fund;

10 H. Annually determine the appropriate level for the Maine Health Plan reserve
11 account under section 7506, subsection 5 and implement policies needed to establish
12 the appropriate reserve;

13 I. Implement fraud prevention measures necessary to protect the operation of the
14 Maine Health Plan; and

15 J. Work to ensure appropriate cost control by:

16 (1) Instituting aggressive public health measures, early intervention and
17 preventive care, health and wellness education and promotion of personal health
18 improvement;

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

21 (3) Minimizing administrative costs;

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

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

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

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

31 A. Develop and implement enrollment procedures for the Maine Health Plan;

32 B. Implement eligibility standards for the Maine Health Plan;

33 C. Arrange for health care to be provided at convenient locations, including ensuring
34 the availability of school nurses so that all students have access to health care,
35 immunizations and preventive care at public schools and encouraging providers to
36 open small health clinics at larger workplaces and retail centers;

37 D. Establish an electronic claims and payments system for the Maine Health Plan;

38 E. Monitor the operation of the Maine Health Plan through consumer surveys and
39 regular data collection and evaluation activities, including evaluations of the

1 adequacy and quality of services furnished under the program, the need for changes
2 in the benefit package, the cost of each type of service and the effectiveness of cost
3 control measures under the program;

4 F. Disseminate information and establish a health care website to provide
5 information to the public about the Maine Health Plan;

6 G. Collaborate with public health agencies, schools and community clinics;

7 H. Ensure that Maine Health Plan policies and providers, including public health
8 providers, support all residents of this State in achieving and maintaining optimum
9 physical and mental health; and

10 I. Annually report to the joint standing committee of the Legislature having
11 jurisdiction over health coverage, insurance and financial services matters on the
12 performance of the Maine Health Plan, the fund's fiscal condition and need for
13 payment adjustments, recommendations for statutory changes, receipt of revenue
14 from all sources, whether current year goals and priorities are met, future goals and
15 priorities, major new technology or prescription drugs and other circumstances that
16 may affect the cost or quality of health care.

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

18 A. Develop and implement cost control and quality assurance procedures;

19 B. Implement policies to ensure strong public health services including education
20 and community-based preventive health care and clinical services;

21 C. Implement policies to ensure a continuum of coordinated high-quality primary to
22 tertiary care to all residents of this State; and

23 D. Implement policies to ensure that all residents of this State receive culturally and
24 linguistically competent care.

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

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

35 **§7511. Implementation**

36 The Maine Health Plan must be operational beginning January 1, 2023. Beginning
37 on the date the Maine Health Plan becomes operational, a health plan may not be sold in
38 this State for services provided by the Maine Health Plan.

1

SUMMARY

2

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

3

4