

Date: (Filing No. S- )

**HEALTH AND HUMAN SERVICES**

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE**

**SENATE**

**126TH LEGISLATURE**

**SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 552, L.D. 1487, Bill, “An Act To Implement Managed Care in the MaineCare Program”

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

**'An Act To Provide Fiscal Predictability to the MaineCare Program and Health Security to Maine People'**

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

**'PART A**

**Sec. A-1. 22 MRSA §3174-WW** is enacted to read:

**§3174-WW. Patient-centered MaineCare reform**

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

A. "Managed care plan" means an entity that contracts with the department to provide managed care in the MaineCare program, through a health insurer or health maintenance organization authorized under Title 24-A that bears full risk under a capitated payment.

B. "Managed care program" means the program of integrated managed care for all covered MaineCare services implemented in accordance with this section.

**2. Managed care program.** The department shall implement a managed care program for all covered MaineCare services. The department shall include in the requests for proposals and in the contract with each managed care plan the requirement that the provision of services to members of the MaineCare program must be managed on a phased-in schedule over 3 years as provided in this subsection.

A. The following members must be enrolled in the first year of the implementation of managed care and in each year thereafter:

**COMMITTEE AMENDMENT**

1                   (1) Persons who are eligible for MaineCare under section 3174-G, subsection 1,  
2                   paragraphs A, E, G, H and I; and

3                   (2) Nondisabled children who are eligible under section 3174-G, subsection 1,  
4                   paragraph B or D.

5                   B. All of the eligibility groups under section 3174-G not included in paragraph A  
6                   must be required to enroll in the managed care program after the first year of  
7                   implementation and in subsequent years on a schedule as required by the department  
8                   after the department has sought stakeholder input and approval from the federal  
9                   Department of Health and Human Services, Centers for Medicare and Medicaid  
10                  Services and after the department adopts rules.

11                  C. A member who is not in an enrollment group required to be enrolled under  
12                  paragraph A or B may voluntarily enroll in a managed care plan that provides  
13                  services in the region of the State in which the member lives.

14                  D. A member may not be required to enroll in a managed care plan unless there are  
15                  at least 3 unrelated issuers of statewide managed care plans that can each meet all the  
16                  requirements in this section.

17                  **3. Managed care plans.** The following requirements apply to contracts with  
18                  managed care plans.

19                  A. The department shall require services in the managed care program to be provided  
20                  by managed care plans that are capable of coordinating and delivering all MaineCare  
21                  covered services on a statewide basis to all enrollees.

22                  B. The department shall select managed care plans using requests for proposals. The  
23                  procurement method must give the department broad flexibility and power to  
24                  negotiate value and must provide potential bidders the broad flexibility to innovate.

25                  C. The department shall use a procurement method that results in a minimum of 3  
26                  and a maximum of 4 plans that the department authorizes to enroll MaineCare  
27                  members upon negotiation of rates consistent with this section and applicable  
28                  requirements of the federal Department of Health and Human Services, Centers for  
29                  Medicare and Medicaid Services.

30                  D. At least one of the managed care plans must be operated by a nonprofit  
31                  organization that may be controlled by a health care provider or providers or an  
32                  affiliate of a provider or providers, unless no organization meeting this description  
33                  meets the minimum criteria for selection established in the request for proposals.

34                  E. The department shall consider quality factors in the selection of managed care  
35                  plans, including, but not limited to:

36                         (1) Accreditation by a nationally recognized accrediting body;

37                         (2) Documented policies and procedures for preventing fraud and abuse;

38                         (3) Experience in serving enrollees and achieving quality standards;

39                         (4) Availability and accessibility of primary and specialty care physicians in the  
40                         relevant network;

1           (5) Provision of nonmandatory benefits, particularly dental care and disease  
2           management, and other initiatives that improve health outcomes; and

3           (6) An office or a commitment to establishing an office for the managed care  
4           plan in the State.

5           F. After negotiations are conducted, the department shall select managed care plans  
6           that the department determines to be responsive, to have signed contracts with  
7           providers of covered services in sufficient numbers to meet access standards  
8           established in this section and by rule and to provide the best value to the department.

9           G. All contracts with managed care plans entered into under this section are  
10          contingent upon the appropriation and allocation by the Legislature for the managed  
11          care program of sufficient funding to pay for the managed care program.

12          H. All contracts with managed care plans entered into under this section are  
13          contingent upon the plan having signed provider contracts as required in paragraph F.

14          **4. Plan accountability.** The following provisions on managed care plan  
15          accountability apply to all managed care plan contracts entered into under this section and  
16          provide standards for plan accountability.

17          A. The term of a contract with a managed care plan under this section is 5 years or  
18          less, with an option for the department to renew for a period or periods of 2 years. At  
19          the end of a contract period the department may authorize a short-term extension of  
20          the contract if needed to provide for a transition to a new managed care plan with  
21          minimal disruption of services and care provided to MaineCare members.

22          B. The department shall establish contract requirements that are necessary for the  
23          operation of the managed care program and consistent with the requirements of this  
24          section. In addition to any other provisions the department may determine to be  
25          necessary, the contract must contain the following contractual obligations.

26                  (1) The managed care plan shall participate in and coordinate with departmental  
27                  efforts in health care payment reform including value-based purchasing; quality  
28                  improvement; delivery system improvement; improvement in patients' experience  
29                  of care; participation in other departmental initiatives, including the state  
30                  innovation model grant initiative under the federal Patient Protection and  
31                  Affordable Care Act; and participation in the patient-centered medical home  
32                  initiative, including the financial support of qualifying primary care medical  
33                  homes. The department may require the managed care plan to participate in  
34                  initiatives regarding compensation for physicians for coordination of care,  
35                  management of chronic disease and avoidance of the need for more costly  
36                  services.

37                  (2) Each managed care plan shall meet the large group minimum medical loss  
38                  ratio of at least 85% as defined in 42 United States Code, Section 300gg-18. The  
39                  department, with advice from any stakeholder or advisory group formed to advise  
40                  the department on managed care and after finally adopting major substantive  
41                  rules may adjust the components of the medical loss ratio if necessary to account  
42                  for factors unique to MaineCare and not applicable to the large group minimum

1 medical loss ratio as defined in 42 United States Code, Section 300gg-18, except  
2 that the medical loss ratio may not be reduced to less than 85%.

3 (3) The managed care plan shall meet established access standards that are  
4 specific, population-based standards for the number, type and regional  
5 distribution of providers in managed care plan networks. The access standards  
6 must ensure access to care for both adult members and child members that is  
7 equal to or greater than available access to care that nonmembers have in the  
8 same geographic area. The access standards must ensure that payments to  
9 providers of MaineCare services and benefits reflect mutually acceptable rates,  
10 methods and terms of payment, are consistent with efficiency, economy and  
11 quality of care and are sufficient to enlist an adequate number of providers  
12 throughout the State. The access standards must require the managed care plan to  
13 pay for out-of-network care at a generally applicable rate when the plan is not  
14 able to deliver medically necessary services covered under the contract due to  
15 lack of network availability or lack of timely access to necessary care as defined  
16 through rulemaking.

17 (4) The managed care plan shall maintain an accurate and complete electronic  
18 database, available on the publicly accessible website of the managed care plan  
19 or other accessible site that is updated periodically, and that contains but is not  
20 limited to the following information:

21 (a) A list of contracted providers, including necessary information to assist  
22 enrollees and participants in plan selection and ongoing access to providers,  
23 as determined by the department through rulemaking; and

24 (b) A preferred drug list that is searchable by members and providers, that is  
25 updated within 24 hours after any change is made and that includes prior  
26 authorization information and a prior authorization process for prescribed  
27 drugs that is readily accessible to providers, displays appropriate contact  
28 information and provides timely responses to providers that meet or exceed  
29 the standards prescribed by 42 United States Code, Section 1396r-8(d)(1)(A).

30 (5) The managed care plan shall maintain and submit encounter and claims data  
31 for all services provided to MaineCare members in a manner and format and in  
32 accordance with a time schedule specified by the department. Claims data for  
33 each encounter submitted under this subparagraph must include the amount paid  
34 by the managed care plan to all providers of services attributable to the  
35 encounter.

36 (6) The managed care plan shall meet specific performance standards and  
37 benchmarks or timelines for improving performance over the term of the  
38 contract.

39 (a) A managed care plan shall establish an internal health care quality  
40 improvement system, including member satisfaction surveys as measured by  
41 a nationally recognized assessment tool and disenrollment surveys.

42 (b) A managed care plan must be accredited by a nationally recognized  
43 accrediting body, or have initiated the accreditation process, within one year

1 after the contract with the department is executed and must meet the  
2 requirements for external quality review.

3 (7) The managed care plan shall establish program integrity functions and  
4 activities to reduce the incidence of fraud and abuse, including, at a minimum, a  
5 provider credentialing system and ongoing provider monitoring, procedures for  
6 reporting instances of fraud and abuse and designation of a program integrity  
7 compliance officer.

8 (8) The managed care plan shall establish an internal process for reviewing and  
9 responding to grievances from enrollees and providers and submit quarterly  
10 reports including the number, description and outcome of grievances filed by  
11 enrollees. The grievance procedure must provide for oral or written appeal of  
12 actions taken by the managed care plan. The grievance procedure must permit  
13 members or their authorized representatives access to the department's  
14 administrative fair hearing process prior to exhausting the internal grievance  
15 appeal process of the managed care plan. The grievance procedure must provide  
16 for publication and access for the public to all final decisions of the department  
17 and the managed care plan except that all information that could directly or  
18 indirectly identify the member must be redacted prior to the publication or the  
19 provision of public access to the information.

20 (9) A managed care plan shall comply with requirements established by the  
21 department for enrollment reduction and withdrawal and for reporting encounter  
22 data. The requirements must provide for penalties or termination of a contract as  
23 a consequence of failure to meet the requirements.

24 (10) A managed care plan and the plan's fiscal agent or intermediary shall  
25 comply with the prompt payment requirements applicable to health carriers and  
26 health plans pursuant to Title 24-A.

27 (11) A managed care plan shall apply nationally endorsed quality standards that  
28 are coordinated and consistent with department quality initiatives and shall at  
29 least include population improvement goals, improved health outcomes and  
30 improvement in early periodic screening, diagnosis and treatment periodicity  
31 compliance. The managed care plan shall regularly track, monitor and publicly  
32 report on health plan performance in a format approved by the department  
33 pursuant to rulemaking.

34 (12) During a transition period to be determined by the department with  
35 stakeholder input, a managed care plan shall contract with any existing and  
36 qualified provider willing to accept the terms, conditions and rates associated  
37 with the managed care plan. After the transition period, the standards must allow  
38 managed care plans to limit providers in their networks based on credentials,  
39 quality indicators and price, but any limitation permitted by this subparagraph  
40 may not be construed to modify or excuse noncompliance with the access  
41 standards established pursuant to paragraph B, subparagraph (3), including  
42 without limitation access to family planning and family planning related services.  
43 In addition, after the transition period, the managed care plan shall contract with  
44 any willing and qualified provider who is a federally qualified health center, a

1 rural health clinic or a school-based health clinic or a provider who serves high-  
2 risk populations or specialize in conditions that require costly treatment.

3 (13) A managed care plan shall provide for continuation of health care benefits  
4 and services at prior authorized levels when a member files a grievance or appeal  
5 of a denial of a renewed prior authorization request. The managed care plan shall  
6 provide that the member may not be charged for services provided during the  
7 grievance or appeal process.

8 (14) A managed care plan shall provide that the commissioner and the medical  
9 director of the MaineCare program have the authority to override any denial of  
10 care by the managed care plan on the basis of medical necessity.

11 (15) A managed care plan shall provide that MaineCare members enrolled in the  
12 plan and providers are 3rd-party beneficiaries under any contract between the  
13 managed care plan and the department.

14 (16) A managed care plan must be subject to financial consequences, backed by  
15 a performance bond or similar guarantee, for failure to meet quality standards,  
16 access standards, patient satisfaction standards or other requirements of law or  
17 rule or of the contract between the department and the managed care plan.

18 (17) A managed care plan is subject to the jurisdiction and oversight of the  
19 Department of Professional and Financial Regulation, Bureau of Insurance and  
20 shall comply with provisions of Title 24-A, including chapter 56-A.

21 (18) A managed care plan when providing to members and prospective members  
22 written communications, including but not limited to notices, decisions and  
23 explanations of benefits, shall provide those communications in a manner that is  
24 readable at or near a 6th-grade reading level and offer translated versions of  
25 materials, as required by the department.

26 (19) A managed care plan may allow for cost sharing in accordance with the  
27 provisions of 42 United States Code, Section 1396o.

28 (20) A managed care plan shall provide a reasonable contribution to pay for the  
29 funding of the ombudsman program under subsection 7.

30 **5. Payments to managed care plans.** The following provisions apply to payments  
31 to managed care plans by the department.

32 A. The department shall pay managed care plans on the basis of per member, per  
33 month payments negotiated pursuant to this subsection. Payments must be at risk-  
34 adjusted rates based on historical utilization and spending data, projected and  
35 adjusted to reflect the eligibility category, geographic area and clinical risk profile of  
36 the members with the provision for subsequent adjustment based on actual  
37 enrollments and encounter data when available. In negotiating rates with the plans,  
38 the department shall consider any adjustments necessary to encourage plans to use  
39 the most cost-effective means of improving outcomes and providing specialized  
40 management of particular subgroups of populations with complex or high-cost needs.

1 B. For that portion of the MaineCare enrolled population covered by managed care  
2 plans in the 4th fiscal year of the provision of managed care coverage, the total  
3 amount expended by the department in that fiscal year to cover services to that  
4 portion of the population may not exceed 95% of the amount that would have been  
5 expended to cover the same number of enrollees for the same services in the same  
6 fiscal period in the absence of a managed care plan. This limitation must be  
7 calculated on the basis of historical experience, adjusted for actual increases in health  
8 care costs and reasonable projections of the trend in those costs. The method of  
9 calculation of the limitation must be established in rules adopted by the department.

10 **6. Enrollment; choice counseling; eligibility.** Except as otherwise provided by  
11 law, the following provisions apply to enrollment of MaineCare members in and choice  
12 counseling and eligibility for managed care plans.

13 A. A MaineCare member must be provided a choice of plans and may select any  
14 available plan unless that plan is restricted by contract with the department to a  
15 specific population that does not include the member. A MaineCare member must be  
16 provided at least 30 days in which to make a choice of plans. The department and  
17 managed care plans must provide notices about enrollment rules that current and  
18 potential enrollees can easily understand.

19 B. The department shall implement a choice counseling system to ensure that a  
20 MaineCare member has timely access to accurate information on the available  
21 managed care plans. Counselors providing enrollment support must reflect the ethnic,  
22 linguistic and cultural demographics of the population served. The counseling  
23 system must include plan-to-plan comparative information on benefits, provider  
24 networks, preferred drug lists, quality measures and other data points as determined  
25 by the department. Choice counseling must be made available through face-to-face  
26 interaction, through the publicly accessible website of the department, by telephone  
27 and in writing and through other forms of relevant media. Materials must be provided  
28 in a culturally appropriate manner, readable at or below a 6th-grade reading level and  
29 consistent with federal requirements. The department shall implement a competitive  
30 bidding process for procurement of choice counseling functions. The choice  
31 counseling system may not be administered by a managed care plan.

32 C. After a MaineCare member has enrolled in a managed care plan, the member  
33 must have 90 days to voluntarily disenroll and select another plan. After 90 days, no  
34 further changes may be made except for good cause or during the annual open  
35 enrollment period. Good cause for disenrollment must include at a minimum:

36 (1) The plan does not cover a service the member seeks based on religious or  
37 moral beliefs;

38 (2) The member needs related services that are not available in the plan's  
39 network and the member's provider determines that receipt of the services  
40 separately would subject the member to unnecessary risk; and

41 (3) Other reasons, including but not limited to poor quality of care or lack of  
42 access to covered services and experienced providers.

1           D. The department shall automatically enroll in a managed care plan those  
2           MaineCare members who do not choose a plan. Except as otherwise described in this  
3           section, the department may not engage in practices that are designed to favor one  
4           managed care plan over another.

5           E. A member eligible for coverage pursuant to section 3174-G, subsection 1,  
6           paragraphs H and I must be required to participate in the Private Health Insurance  
7           Premium Program in accordance with section 18. The department shall identify all  
8           members who have access to group health plan coverage and shall inform the  
9           member that participation is mandatory for that member.

10           **7. Ombudsman program.** The department shall ensure the establishment of an  
11           external and independent ombudsman who is not within the control of a managed care  
12           plan. The ombudsman shall identify and report to the department and the committee of  
13           jurisdiction within the Legislature on systemic issues and possible solutions to those  
14           issues and assist MaineCare members and providers with grievances and appeals either  
15           within the ombudsman program or under contract with an external entity. The  
16           department and any plan that provides services to MaineCare members must provide  
17           data, from which personally identifying information has been removed, to the  
18           ombudsman as necessary for the ombudsman to carry out the functions of the position  
19           required by this subsection. The ombudsman program required by this subsection must  
20           operate and be funded completely independently from and must not interfere with the  
21           authority or operation of any ombudsman program established under state or federal law,  
22           including but not limited to sections 4087-A and 5107-A.

23           **8. MaineCare benefits under managed care plans.** The following provisions  
24           govern benefits under managed care plans.

25           A. A managed care plan shall provide coverage for all services and benefits required  
26           by the department for the applicable category of eligible members.

27           B. As approved by the department, a managed care plan may customize benefit  
28           packages for nonpregnant adults and provide coverage for additional services.  
29           Customized benefit packages must provide all services and benefits that were  
30           provided to nonpregnant adults on April 1, 2014. The department shall evaluate the  
31           proposed benefit packages to ensure services are sufficient to meet the needs of the  
32           plan's enrollees and to verify actuarial equivalence.

33           **9. Rulemaking.** The department shall adopt rules as necessary to implement this  
34           section. Rules adopted pursuant to this subsection are major substantive rules as  
35           described in Title 5, chapter 375, subchapter 2-A.

36           **Sec. A-2. Stakeholder group on capitated managed care in the**  
37           **MaineCare program.** By August 1, 2014 the Commissioner of Health and Human  
38           Services shall convene a stakeholder group to design and plan for the implementation of a  
39           capitated managed care program for MaineCare members. The stakeholder group shall  
40           make recommendations to the department regarding the implementation of the Maine  
41           Revised Statutes, Title 22, section 3174-WW, including, but not limited to, the following  
42           issues: the development of the selection and phase-in process; consumer choice and  
43           access to providers and network adequacy; accountability and transparency; incentives to  
44           encourage and reward healthy behaviors; alignment with existing efforts related to



1 payment reform and care coordination; establishment of clear quality metrics and quality  
 2 improvements; comprehensive and coordinated data analytics and access to data; usage  
 3 and payment of emergency department services; and consumer protections. The  
 4 membership of the stakeholder group must include, but is not limited to, representatives  
 5 of the following: MaineCare members and advocates representing MaineCare members;  
 6 consumer advocates; health insurance carriers; primary health care providers; acute care  
 7 and critical access hospitals; behavioral health providers, including substance abuse  
 8 providers; academics with a concentration in health care policy; pharmacies; pharmacy  
 9 benefits managers; nursing facilities; the Department of Health and Human Services; the  
 10 Department of Professional and Financial Regulation, Bureau of Insurance; and  
 11 representatives of the state innovation model grant process. The stakeholder group shall  
 12 work until the managed care program under Title 22, section 3174-WW is implemented  
 13 and the phase-in of all mandatory populations is fully complete. The stakeholder group  
 14 shall provide input to the department on the implementation of Title 22, section  
 15 3174-WW.

16 **Sec. A-3. Issuance of request for information.** By October 1, 2014, the  
 17 Department of Health and Human Services shall issue a request for information based  
 18 upon the provisions of the Maine Revised Statutes, Title 22, section 3174-WW and the  
 19 criteria developed through the stakeholder process established pursuant to section 2 of  
 20 this Part. The purpose of the request for information process is to determine whether  
 21 there is sufficient interest among managed care companies to provide full-risk capitated  
 22 managed care to all or part of the MaineCare program in a manner that is consistent with  
 23 and compatible with the goals and structure of the value-based purchasing initiatives  
 24 being undertaken by the department, including but not limited to health homes, patient-  
 25 centered medical homes, accountable communities, peer support organizations and other  
 26 issues that are identified in the responsibilities to the managed care stakeholder group.

27 **Sec. A-4. Report to the Legislature.** By March 1, 2015, the Department of  
 28 Health and Human Services shall report to the joint standing committee of the 127th  
 29 Legislature having jurisdiction over health and human services matters on the status of  
 30 implementation of the managed care program pursuant to the Maine Revised Statutes,  
 31 Title 22, section 3174-WW, each of the areas addressed by the stakeholder group  
 32 established pursuant to section 2 of this Part, the specific recommendations of the  
 33 stakeholder group and the department's value-based purchasing initiative, including  
 34 accountable care. The report must include actual and projected cost savings and the  
 35 structure of the managed care program. Beginning April 1, 2015 the department shall  
 36 provide a report every month to the joint standing committee of the Legislature having  
 37 jurisdiction over health and human services matters on the implementation of the  
 38 managed care program.

39 **Sec. A-5. Rulemaking required.** The following rulemaking requirements apply  
 40 to the implementation of the managed care program in the MaineCare program by the  
 41 Department of Health and Human Services pursuant to the Maine Revised Statutes, Title  
 42 22, section 3174-WW.

43 1. By May 1, 2015, the department shall propose major substantive rules to  
 44 implement managed care based on the recommendations of the stakeholder group  
 45 established pursuant to section 2 of this Part.

1           2. By September 1, 2015, the department shall provisionally adopt a managed care  
 2 rule and provide copies of the rule to the Executive Director of the Legislative Council  
 3 and the joint standing committee of the Legislature having jurisdiction over health and  
 4 human services matters in accordance with the provisions of Title 5, section 8072,  
 5 subsections 3 and 4.

6           3. By January 15, 2016, the joint standing committee of the Legislature having  
 7 jurisdiction over health and human services matters shall make its recommendation to the  
 8 full Legislature on the managed care major substantive rule in accordance with Title 5,  
 9 section 8072, subsection 5.

10           4. The department shall issue a request for proposals to prospective bidders no later  
 11 than 30 days following final legislative action on the provisional managed care rule.

12           5. Within 6 months of awarding contracts for managed care in the MaineCare  
 13 program the department shall start implementation of managed care.

14           **Sec. A-6. State plan amendment and waivers; contingent effective date.**  
 15 The Department of Health and Human Services shall apply to the federal Department of  
 16 Health and Human Services, Centers for Medicare and Medicaid Services for approval of  
 17 a state plan amendment under the United States Social Security Act, Section 1932(a) to  
 18 implement the provisions of this Part and for all necessary waivers. The provisions of this  
 19 Part take effect upon notification from the Department of Health and Human Services to  
 20 the Revisor of Statutes that all necessary approvals under this section have been granted.

21           **Sec. A-7. Appropriations and allocations.** The following appropriations and  
 22 allocations are made.

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

24           **Office of MaineCare Services 0129**

25 Initiative: Provides funds for the initial implementation of the managed care program for  
 26 MaineCare services including convening and supporting the stakeholder group, preparing  
 27 and issuing a request for information and preparing a report to the Legislature on the  
 28 status of implementation and for required rulemaking.

29	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
30	All Other	\$0	\$250,000
31			
32	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$250,000</u>

33	<b>FEDERAL EXPENDITURES FUND</b>	<b>2013-14</b>	<b>2014-15</b>
34	All Other	\$0	\$250,000
35			
36	FEDERAL EXPENDITURES FUND TOTAL	<u>\$0</u>	<u>\$250,000</u>

1	<b>HEALTH AND HUMAN SERVICES,</b>		
2	<b>DEPARTMENT OF (FORMERLY DHS)</b>		
3	<b>DEPARTMENT TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
4			
5	<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$250,000</b>
6	<b>FEDERAL EXPENDITURES FUND</b>	<b>\$0</b>	<b>\$250,000</b>
7			
8	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$0</b>	<b>\$500,000</b>

9 **PART B**

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

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

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

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

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

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

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

30 (2) A child under 21 years of age;

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

32 H. Beginning July 1, 2014, a person 21 to 64 years of age who is not otherwise  
 33 eligible for medical assistance under this section, who qualifies for medical assistance  
 34 pursuant to 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) and whose  
 35 income is equal to or below 133% of the nonfarm income official poverty line plus  
 36 5% for the applicable family size as required by federal law. A person eligible for  
 37 medical assistance under this paragraph must receive the same coverage as is  
 38 provided to a person eligible under paragraph E; and

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

8 **Sec. B-4. Contingent repeal.** The Maine Revised Statutes, Title 22, section  
9 3174-G, subsection 1, paragraphs H and I are repealed upon the earlier of the following:

- 10 1. The meeting of all of the following conditions:
- 11 A. The enhanced Federal Medical Assistance Percentage with respect to amounts  
12 expended for medical assistance for newly eligible Medicaid individuals described in  
13 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) is reduced below 100% for  
14 any calendar quarter in 2014, 2015 or 2016;
- 15 B. The reduction in the enhanced Federal Medical Assistance Percentage described in  
16 paragraph A has taken effect; and
- 17 C. After the reduction of the enhanced Federal Medical Assistance Percentage as  
18 described in paragraphs A and B, the Legislature has convened and conducted a  
19 session of at least 30 calendar days; and
- 20 2. December 31, 2016.

21 **PART C**

22 **Sec. C-1. Research organization evaluation.** The Office of Fiscal and  
23 Program Review shall contract with a nonpartisan research organization, referred to in  
24 this section as "the research organization," to study the impact of the MaineCare  
25 expansion authorized in the Maine Revised Statutes, Title 22, section 3174-G, subsection  
26 1, paragraphs H and I on programs and services under this Part that do not currently  
27 receive Federal Medical Assistance Percentage matching funds or do not qualify for  
28 enhanced Federal Medical Assistance Percentage matching funds under the federal  
29 Patient Protection and Affordable Care Act, 42 United States Code, Section 18001, et  
30 seq., with the goal of identifying and maximizing General Fund savings. The  
31 Commissioner of Health and Human Services, the Commissioner of Corrections and the  
32 Executive Director of the State Board of Corrections shall provide to the research  
33 organization information and assistance requested for preparation of the evaluation. In  
34 evaluating the programs and services under this Part, the research organization shall at a  
35 minimum evaluate the impact on the following programs and services: the state-funded  
36 Mental Health Services - Community, Office of Substance Abuse and General Assistance  
37 - Reimbursement to Cities and Towns programs; the elderly low-cost drug program under  
38 Title 22, section 254-D; services provided for individuals 21 to 64 years of age who are  
39 currently eligible for MaineCare under the medically needy program; services provided  
40 under the State's demonstration project waiver under Section 1115 of the United States  
41 Social Security Act, 42 United States Code, Section 301, et seq., for individuals with  
42 HIV/AIDS; services provided for parents participating in family reunification activities;  
43 services provided for disabled individuals 21 to 64 years of age with incomes below

1 139% of the federal poverty level as defined by the federal Department of Health and  
2 Human Services and updated annually in the Federal Register under authority of 42  
3 United States Code, Section 9902(2); services provided to individuals awaiting a  
4 MaineCare disability determination who are subsequently determined disabled; services  
5 provided to individuals who would have been considered eligible on the basis of a  
6 disability but for whom the full determination process was not completed; and medical  
7 services provided to persons in the care and custody of the Department of Corrections or  
8 a county correctional facility. The research organization also shall examine the amount  
9 of payment for services that hospitals received during fiscal years 2014-15 and 2015-16  
10 as a result of the expansion of MaineCare eligibility pursuant to Title 22, section 3174-G,  
11 subsection 1, paragraphs H and I. In addition, the research organization shall evaluate  
12 any savings and the impact on health outcomes achieved through initiatives implemented  
13 pursuant to the state innovation models initiative grant.

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

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

38 **Sec. C-3. Calculation and transfer.** Notwithstanding any other provision of  
39 law, the State Budget Officer shall calculate the amount of savings identified in this Part  
40 that applies against each General Fund account statewide as a result of the expansion of  
41 MaineCare eligibility authorized in the Maine Revised Statutes, Title 22, section 3174-G,  
42 subsection 1, paragraphs H and I and shall transfer the amounts up to the amounts  
43 specified in section 5 of this Part by financial order upon the approval of the Governor.  
44 These transfers are considered adjustments to appropriations in fiscal year 2014-15. The  
45 State Controller shall transfer any amounts identified under this Part greater than the  
46 amounts specified in section 5 of this Part to the MaineCare Stabilization Fund

1 established under Title 22, section 3174-KK. The State Budget Officer shall provide a  
 2 report of the transferred amounts to the joint standing committee of the Legislature  
 3 having jurisdiction over appropriations and financial affairs no later than April 30, 2015  
 4 for fiscal year 2014-15 and shall submit adjustments to baseline budget requests totaling  
 5 no less than \$11,800,000 per year to reflect the continuation of the identified savings in  
 6 the 2016-2017 biennium.

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

19 **Sec. C-5. Appropriations and allocations.** The following appropriations and  
 20 allocations are made.

21 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

22 **Executive Branch Departments and Independent Agencies - Statewide 0017**

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

26	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
27	Unallocated	\$0	(\$5,900,000)
28			
29	<b>GENERAL FUND TOTAL</b>	<u>\$0</u>	<u>(\$5,900,000)</u>

30	<b>ADMINISTRATIVE AND FINANCIAL</b>		
31	<b>SERVICES, DEPARTMENT OF</b>		
32	<b>DEPARTMENT TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
33			
34	<b>GENERAL FUND</b>	<b>\$0</b>	<b>(\$5,900,000)</b>
35			
36	<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<u><b>\$0</b></u>	<u><b>(\$5,900,000)</b></u>

37 **LEGISLATURE**

38 **Legislature 0081**

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

4	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
5	All Other	\$0	\$100,000
6			
7	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$100,000</u>

8	<b>LEGISLATURE</b>		
9	<b>DEPARTMENT TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
10			
11	GENERAL FUND	\$0	\$100,000
12			
13	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$100,000</u>

14	<b>SECTION TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
15			
16	GENERAL FUND	\$0	(\$5,800,000)
17			
18	SECTION TOTAL - ALL FUNDS	<u>\$0</u>	<u>(\$5,800,000)</u>

19 **PART D**

20 **Sec. D-1. Appropriations and allocations.** The following appropriations and  
 21 allocations are made.

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

23 **Medical Care - Payments to Providers 0147**

24 Initiative: Provides funds for the costs of MaineCare coverage through December 31,  
 25 2016, for childless adults at or below 133% of the nonfarm income official poverty line  
 26 plus 5% for the applicable family size as required by federal law.

27	<b>FEDERAL EXPENDITURES FUND</b>	<b>2013-14</b>	<b>2014-15</b>
28	All Other	\$0	\$327,657,166
29			
30	FEDERAL EXPENDITURES FUND TOTAL	<u>\$0</u>	<u>\$327,657,166</u>

31 **Office of Family Independence - District 0453**

32 Initiative: Provides funding for 6 Family Independence Unit Supervisor positions, 13  
 33 Office Assistant II positions and 64 Eligibility Specialist positions in the Office of Family

1 Independence - District program and for related All Other costs necessary to implement  
 2 and administer the MaineCare eligibility changes. This assumes the Eligibility Specialist  
 3 positions are funded 25% General Fund and 75% Other Special Revenue Funds and the  
 4 other positions are funded 50% General Fund and 50% Other Special Revenue Funds.

5	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
6	POSITIONS - LEGISLATIVE COUNT	0.000	83.000
7	Personal Services	\$0	\$1,909,557
8	All Other	\$0	\$95,105
9			
10	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$2,004,662</u>

11	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2013-14</b>	<b>2014-15</b>
12	Personal Services	\$0	\$4,325,301
13	All Other	\$0	\$381,651
14			
15	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$4,706,952</u>

16 **Office of MaineCare Services 0129**

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

20	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
21	All Other	\$0	\$110,539
22			
23	GENERAL FUND TOTAL	<u>\$0</u>	<u>\$110,539</u>

24	<b>FEDERAL EXPENDITURES FUND</b>	<b>2013-14</b>	<b>2014-15</b>
25	All Other	\$0	\$994,852
26			
27	FEDERAL EXPENDITURES FUND TOTAL	<u>\$0</u>	<u>\$994,852</u>

28	<b>HEALTH AND HUMAN SERVICES,</b>		
29	<b>DEPARTMENT OF (FORMERLY DHS)</b>		
30	<b>DEPARTMENT TOTALS</b>	<b>2013-14</b>	<b>2014-15</b>
31			
32	<b>GENERAL FUND</b>	<b>\$0</b>	<b>\$2,115,201</b>
33	<b>FEDERAL EXPENDITURES FUND</b>	<b>\$0</b>	<b>\$328,652,018</b>
34	<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>\$0</b>	<b>\$4,706,952</b>



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38

**DEPARTMENT TOTAL - ALL FUNDS**

**\$0 \$335,474,172**

**PART E**

**Sec. E-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:

**1. Primary care provider.** That the member is required to sign up as a patient with a primary care provider promptly after enrolling in the MaineCare program; and

**2. Benefit termination.** 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.

**PART F**

**Sec. F-1. Task Force to Create Opportunities for Stable Employment for MaineCare Members.** The Task Force to Create Opportunities for Stable Employment for MaineCare Members, referred to in this Part as "the task force," is established.

**1. Task force membership.** The task force consists of 8 members appointed as follows:

A. Three members of the Senate appointed by the President of the Senate; 2 must be members of the party holding the largest number of seats in the Senate and one must be a member of the party holding the 2nd largest number of seats in the Senate; and

B. Five members of the House of Representatives appointed by the Speaker of the House; 3 must be members of the party holding the largest number of seats in the House and 2 must be members of the party holding the 2nd largest number of seats in the House.

**2. Chairs.** The first-named Senate member is the Senate chair and the first-named House of Representatives member is the House chair of the task force.

**3. Appointments; convening of task force.** All appointments must be made no later than 30 days following the effective date of this Part. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been completed. After appointment of all members, the chairs shall call and convene the first meeting of the task force. If 30 days or more after the effective date of this Part a majority of but not all appointments have been made, the chairs may request authority and the Legislative Council may grant authority for the task force to meet and conduct its business.

**4. Duties.** The task force shall meet up to 4 times in order to identify any policies in MaineCare that penalize or create a disincentive for members' increasing hours of

1 employment or earnings. The task force shall make recommendations to eliminate any  
2 such barriers and shall propose new policies that support and promote stable and lasting  
3 employment. In performing its work, the task force shall examine current rules related to  
4 MaineCare transitional assistance and any opportunities to further reduce the adverse  
5 effects on working families that lose eligibility for MaineCare due to increased  
6 employment. The task force shall consider solutions that provide continuity of care and  
7 minimize persons' moving on and off the MaineCare program.

8 **5. Staff assistance.** The Legislative Council shall provide necessary staffing services  
9 to the task force.

10 **6. Report.** The task force shall submit a report that includes its findings and  
11 recommendations for presentation to the joint standing committee of the Legislature  
12 having jurisdiction over health and human services matters by December 8, 2014.

13 **PART G**

14 **Sec. G-1. Implement reforms in programs for adults with intellectual**  
15 **disabilities.** The Department of Health and Human Services, referred to in this Part as  
16 "the department," shall implement the reforms identified in this section and shall transfer  
17 all savings resulting from those reforms and adjust reimbursement rates for providers of  
18 services as necessary to develop the funds that will reduce waiting lists for services under  
19 the MaineCare Benefits Manual, Chapter 101, Chapter II, Section 21, Home and  
20 Community Benefits for Members with Intellectual Disabilities or Autistic Disorder and  
21 Section 29, Support Services for Adults with Intellectual Disabilities or Autistic Disorder  
22 to less than 6 months by January 15, 2015.

23 1. The department shall implement the following reforms specified in Public Law  
24 2013, chapter 368, Part SS, section 4, including implementing the plan for services called  
25 for by that law:

26 A. Each individual will receive a strength-based standardized assessment of that  
27 individual's strengths or needs to inform a person-centered plan;

28 B. Each individual will be assessed for the natural family and community support  
29 networks potentially available to that individual;

30 C. The State will establish a broad menu option model designed to match the amount  
31 and kind of paid support services needed by each individual;

32 D. Each individual will have a designated community resource assistant whose job it  
33 is to help individuals at any age navigate the local array of services;

34 E. The State will develop a thorough and accessible information repository;

35 F. The State will establish early support and planning for steps to transition  
36 individuals from childhood services to adult services;

37 G. The State will undertake educational efforts in each neighborhood to educate and  
38 foster inclusiveness and awareness of the community;

39 H. The State's developmental services will deliver only the paid services needed; and

40 I. Formal services will be based on individual and realistic needs.



1 Care Crimes Unit to investigate allegations of misuse of public funds in the MaineCare  
 2 program and to aid the Attorney General in the prosecution of crimes and other legal  
 3 actions related to misuse of public funds.

4 **Sec. H-2. Appropriations and allocations.** The following appropriations and  
 5 allocations are made.

6 **ATTORNEY GENERAL, DEPARTMENT OF THE**

7 **Administration - Attorney General 0310**

8 Initiative: Provides funds for 2 Attorney General Detective positions in the Health Care  
 9 Crimes Unit.

10 <b>FEDERAL EXPENDITURES FUND</b>	2013-14	2014-15
11 POSITIONS - LEGISLATIVE COUNT	0.000	2.000
12 Personal Services	\$0	\$176,638
13 All Other	\$0	\$30,380
14		
15 <b>FEDERAL EXPENDITURES FUND TOTAL</b>	<b>\$0</b>	<b>\$207,018</b>
16		

17 **SUMMARY**

18 This amendment replaces the bill. The amendment contains the following provisions.

19 Part A establishes managed care in the MaineCare program. It includes requirements  
 20 for managed care plans and for contracting by the Department of Health and Human  
 21 Services for managed care services. It specifies how MaineCare members enroll in  
 22 managed care plans, provides opportunities for disenrollment, provides for capitated  
 23 payments to managed care plans, establishes a minimum loss ratio for managed care  
 24 plans, provides a choice of plans and a choice counseling system that ensures the  
 25 consumer has access to accurate information, establishes an ombudsman funded by the  
 26 managed care plans to identify and report on systemic issues and to assist MaineCare  
 27 members and providers with grievances and appeals, sets the minimum benefit package  
 28 and authorizes major substantive rulemaking by the department. It establishes a managed  
 29 care stakeholder group on capitated managed care in the MaineCare program to design  
 30 and plan for implementation and make recommendations for implementation of managed  
 31 care to the department. It requires the department to issue a request for information to  
 32 determine whether there is sufficient interest among managed care companies to provide  
 33 managed care as set forth in the law and in a manner that is consistent with and  
 34 compatible with the goals and structure of the value-based purchasing initiatives being  
 35 undertaken by the department, including but not limited to health homes, patient-centered  
 36 medical homes, accountable communities, peer support organizations and other issues  
 37 that are identified in the responsibilities of the stakeholder group. It requires the  
 38 department to report by March 1, 2015 to the joint standing committee of the Legislature  
 39 having jurisdiction over health and human services matters on the status of  
 40 implementation of managed care pursuant to the Maine Revised Statutes, Title 22, section  
 41 3174-WW, each of the areas addressed by the managed care stakeholder group, the  
 42 specific recommendations of the stakeholder group and the department's value-based

1 purchasing initiative, including accountable care. The report must also include actual and  
2 projected cost savings and the structure of the managed care program. Beginning April 1,  
3 2015, the department is required to provide a report every month to the joint standing  
4 committee of the Legislature having jurisdiction over health and human services matters  
5 on the implementation of managed care. It imposes a schedule of required rulemaking to  
6 ensure prompt implementation of managed care. It requires the department to apply to  
7 the federal Department of Health and Human Services, Centers for Medicare and  
8 Medicaid Services for approval of a state plan amendment under the United States Social  
9 Security Act, Section 1932(a) to implement the provisions of this amendment and to  
10 apply for all necessary waivers. It provides a contingent effective date that requires  
11 notification from the department to the Revisor of Statutes that all necessary approvals  
12 have been granted.

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

26 Part C requires the Office of Fiscal and Program Review to contract with a  
27 nonpartisan research organization to evaluate the financial feasibility of providing health  
28 care coverage to newly eligible MaineCare members through the health insurance  
29 marketplace, modeled after Medicaid expansion coverage in Arkansas or Iowa, and the  
30 feasibility of establishing a state basic health program similar to Washington's basic  
31 health plan and to report the findings of the evaluation to the joint standing committee of  
32 the Legislature having jurisdiction over health and human services matters by February  
33 15, 2015. It directs the Office of Fiscal and Program Review to contract for an  
34 examination of the impact of the MaineCare expansion on programs and services that do  
35 not currently receive Federal Medical Assistance Percentage matching funds or do not  
36 qualify for enhanced Federal Medical Assistance Percentage matching funds under the  
37 federal Patient Protection and Affordable Care Act, 42 United States Code, Section 18001  
38 et seq., with the goal of identifying and maximizing General Fund savings. It requires that  
39 the research organization report by February 15, 2015 and February 15, 2016 to the joint  
40 standing committee of the Legislature having jurisdiction over appropriations and  
41 financial affairs, the joint standing committee of the Legislature having jurisdiction over  
42 health and human services matters and the joint standing committee of the Legislature  
43 having jurisdiction over criminal justice and public safety matters on the amount of  
44 General Fund savings resulting from the MaineCare expansion. The reports must include  
45 the amount of savings expected and realized during fiscal years 2014-15 and 2015-16 by  
46 service area or program. It requires the State Budget Officer to calculate the amount of  
47 savings that applies against each General Fund account for all departments and agencies

1 from savings associated with the MaineCare expansion and to transfer the amounts by  
2 financial order upon the approval of the Governor. It requires the State Controller to  
3 transfer any remaining savings to the MaineCare Stabilization Fund. It requires the State  
4 Budget Officer to provide a report of the transferred amounts to the joint standing  
5 committee of the Legislature having jurisdiction over appropriations and financial affairs  
6 no later than April 30, 2015 for fiscal year 2014-15 and to submit adjustments to baseline  
7 budget requests totaling no less than \$11,800,000 per year to reflect the continuation of  
8 the identified savings in the 2016-2017 biennium.

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

11 Part E requires the department, when enrolling a MaineCare member who is eligible  
12 under Title 22, section 3174-G, subsection 1, paragraph H or I, to provide written notice  
13 that is readable at the 6th-grade reading level to the member of the requirement to sign up  
14 as a patient with a primary care provider promptly after enrolling in the MaineCare  
15 program and that the member's MaineCare coverage will end no later than December 31,  
16 2016 unless a law is passed to extend coverage past that date.

17 Part F establishes the Task Force to Create Opportunities for Stable Employment for  
18 MaineCare Members. The task force is directed to meet up to 4 times in order to identify  
19 any policies in MaineCare that penalize or create a disincentive for members' increasing  
20 hours of employment or earnings, to make recommendations to eliminate barriers to and  
21 to propose new policies that support and promote stable and lasting employment, to  
22 examine rules related to MaineCare transitional assistance and any opportunities to  
23 further reduce the adverse effects on working families that lose eligibility for MaineCare  
24 and to consider solutions that provide continuity of care and minimize persons' moving  
25 on and off the MaineCare program. The task force is directed to submit a report to the  
26 joint standing committee of the Legislature having jurisdiction over health and human  
27 services matters by December 8, 2014.

28 Part G directs the department to implement reforms specified in Public Law 2013,  
29 chapter 368, Part SS, section 4, to carry out the directives and implement the initiatives  
30 contained in Resolve 2013, chapter 24 and Public Law 2013, chapter 368, Part NN and  
31 Part SS, section 1 and to consider 5 reforms. This Part requires that savings resulting  
32 from accomplishing the required reforms in programs for adults with intellectual  
33 disabilities and autism be used to serve persons on the waiting lists for benefits under the  
34 MaineCare Benefits Manual, Chapter 101, Chapter II, Section 21, Home and Community  
35 Benefits for Members with Intellectual Disabilities or Autistic Disorder and Section 29,  
36 Support Services for Adults with Intellectual Disabilities or Autistic Disorder. This Part  
37 directs the department to develop a plan with clear steps and a timeline to ensure that  
38 waiting lists for services under Sections 21 and 29 do not exceed 6 months by January 15,  
39 2015, and to present the plan to the Legislature by October 1, 2014. This Part authorizes  
40 the department to adopt emergency rules to accomplish the duties contained in law.

41 Part H directs the Department of the Attorney General to undertake an initiative to  
42 strengthen fraud investigation in the MaineCare program. The Department of the  
43 Attorney General is directed to establish 2 new positions within the Health Care Crimes  
44 Unit to investigate allegations of misuse of public funds in the MaineCare program and to

COMMITTEE AMENDMENT “ ” to S.P. 552, L.D. 1487

1 aid the Attorney General in the prosecution of crimes and other legal actions related to  
2 misuse of public funds.

3

**FISCAL NOTE REQUIRED**

4

**(See attached)**