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

PART A

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

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

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

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

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

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

- (1) A woman during her pregnancy and up to 60 days following delivery; or
- (2) A child under 21 years of age; and

Sec. A-3. 22 MRSA §3174-G, sub-§1, ¶H is enacted to read:

H. No later than 180 days after the effective date of this paragraph, a person under 65 years of age who is not otherwise eligible for assistance under this chapter and who qualifies for medical assistance pursuant to 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII) when the person's income is at or below 133% plus 5% of the nonfarm income official poverty line for the applicable family size. The department shall provide such a person, at a minimum, the same scope of medical assistance as is provided to a person described in paragraph E.

Cost sharing, including copayments, for coverage established under this paragraph may not exceed the maximum allowable amounts authorized under section 3173-C, subsection 7.

No later than 90 days after the effective date of this paragraph, the department shall submit a state plan amendment to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services ensuring MaineCare eligibility

for people under 65 years of age who qualify for medical assistance pursuant to 42 United States Code, Section 1396a(a)(10)(A)(i)(VIII).

The department shall adopt rules, including emergency rules pursuant to Title 5, section 8054 if necessary, to implement this paragraph in a timely manner to ensure that the persons described in this paragraph are enrolled for and eligible to receive services no later than 180 days after the effective date of this paragraph. Rules adopted pursuant to this paragraph are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

Sec. A-4. Interim reporting. Between the effective date of the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H and the dates of approval of the state plan amendment by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services necessary for implementation of Title 22, section 3174-G, subsection 1, paragraph H, the Department of Health and Human Services shall provide monthly reports to the joint standing committee of the Legislature having jurisdiction over health and human services matters and to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs on the progress of implementation of that paragraph, any issues that might delay implementation or act as barriers to implementation and any possible solutions to those issues and barriers.

Sec. A-5. Reporting on implementation status. No later than one year after the effective date of the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H, the Commissioner of Health and Human Services shall report to the joint standing committee of the Legislature having jurisdiction over health and human services matters and to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs on the status of implementation of Title 22, section 3174-G, subsection 1, paragraph H, including information on enrollment, costs, revenues generated from the Federal Government and other revenues, anticipated state savings and other issues pertinent to implementation.

PART B

Sec. B-1. Calculation and transfer of savings. The Commissioner of Health and Human Services, the Commissioner of Corrections and any state agency that recognizes savings as a result of implementation of the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H shall report within 60 days prior to the end of the first 12 months of enrollment under the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H to the joint standing committee of the Legislature having jurisdiction over health and human services matters, the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over criminal justice and public safety matters on the amount of General Fund savings and other savings resulting from coverage provided under that paragraph, including but not limited to savings to substance abuse and mental health programs; medical services provided to persons in the care and custody of, or upon release by, the Department of Corrections or a county jail or regional jail; reimbursement to cities and towns for general assistance provided under Title 22, chapter 1161; services provided for individuals 21 years of age or older and

under 64 years of age who are currently eligible for the MaineCare program under medically needy, spend-down criteria; services provided under the MaineCare program, Section 1115 Health Care Reform Demonstration for Individuals with HIV/AIDS; services provided for parents participating in family reunification activities under Title 22, chapter 1071; an estimate of savings for services provided to individuals who previously would have pursued a disability determination to qualify for coverage; services provided to individuals awaiting a MaineCare program disability determination for whom the applications are subsequently granted; services provided under the State's breast and cervical cancer treatment program; and other programs in which savings are achieved. The report must include the amount of savings realized during the preceding fiscal year by service area or program and the amount of savings projected to be achieved during the remainder of that fiscal year and during the next fiscal year by service area or program.

Sec. B-2. Reporting of revenue. The Department of Administrative and Financial Services, Maine Revenue Services shall report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs no later than 60 days following the end of the first 12 months of enrollment under the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H regarding any new revenues, including any increase in federal medical assistance payments resulting from coverage provided under Title 22, section 3174-G, subsection 1, paragraph H. Prior to the end of state fiscal year 2018-19, the State Controller shall transfer any savings amounts identified under this section to the MaineCare Stabilization Fund established under Title 22, section 3174-KK.

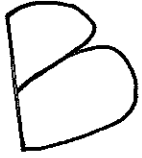
Sec. B-3. Evaluation by legislative office. Within 90 days after the end of the first 12 months of enrollment under the Maine Revised Statutes, Title 22, section 3174-G, subsection 1, paragraph H, the Office of Fiscal and Program Review shall independently review reports required pursuant to sections 1 and 2 of this Part and report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs and the joint standing committee of the Legislature having jurisdiction over health and human services matters on its determination of the savings and new revenue, if any, resulting from implementation of Title 22, section 3174-G, subsection 1, paragraph H. This report must also include information about the amount of federal funds received by the State as a result of coverage authorized under that paragraph.

SUMMARY

This initiated bill requires the State to provide federally approved Medicaid services through MaineCare to qualifying persons under 65 years of age with income equal to or below 133% plus 5% of the nonfarm income official poverty line.

The initiated bill requires the Department of Health and Human Services to prepare and submit to the Federal Government any state plan amendments, no later than 90 days after the effective date of the initiated bill, necessary to implement the provisions of the initiated bill. The initiated bill requires monthly reporting by the department to the appropriate joint standing committees of the Legislature on the status of a state plan amendment submission until such an amendment is approved and reporting on the status

of implementation of the expanded coverage under MaineCare and on the status of implementation and savings generated to state-funded programs as a result of the expanded coverage. It requires the Department of Administrative and Financial Services, Maine Revenue Services to report on revenues generated as a result of expanded coverage. It requires any savings to be transferred to the MaineCare Stabilization Fund prior to the end of fiscal year 2018-19. It requires the Office of Fiscal and Program Review to independently review these reports and report its findings to the appropriate joint standing committees of the Legislature.



128th MAINE LEGISLATURE

Initiated Bill to Enhance Access to Affordable Health Care

Fiscal Note

This citizen initiative expands medical coverage under the MaineCare program to adults who qualify under federal law with incomes up to 133% plus 5% of the nonfarm income official poverty line.

The initiative will require annual General Fund appropriations of \$2,578,609 for the Office of Family Independence - District program in the Department of Health and Human Services (DHHS) for the state share of the costs of 103 new positions to administer the MaineCare eligibility expansion. Funding for the new positions reflects a 75% federal match for the 79 Eligibility Specialist positions and a 50% federal match for the other 24 new positions. The funding for the Eligibility Specialist positions assumes a 700 person caseload for each new position.

The initiative will require annual General Fund appropriations of \$50,366,696 to the DHHS for medical costs for the newly eligible childless adult population. This amount represents 10% of the total cost, with federal matching funds used for the remaining 90%.

The initiative will require annual General Fund appropriations of \$28,139,957 to the DHHS for medical costs for the parent's population between 101% to 138% of the federal poverty level. This amount represents 35% of the total cost, with federal matching funds used for the remaining 65%.

The initiative will require annual General Fund appropriations of \$409,745 to the DHHS for medical costs for the children who have not had MaineCare in the past, but whose family will opt for MaineCare coverage after expansion. This amount represents 2% of the total cost, with federal matching funds used for the remaining 98%.

Although overall costs will increase under this initiative, some programs will achieve savings that will mitigate the additional expenditures. The savings that are generated within existing programs are estimated to be \$27,000,000 annually and are already taken into account in the summary of costs and revenues in this fiscal impact statement.

Additional costs for the Legislature's Office of Fiscal and Program Review for certain review and reporting functions can be absorbed within existing budgeted resources.

In summary, when fully implemented, this initiative is anticipated to require annual appropriations from the General Fund of \$54,495,000. Federal costs would be around \$25,000,000 annually. If approved by the voters, additional implementing legislation will be required to provide the additional appropriations and allocations.

LR 7001 - Affordable HealthCare With an increased Tax for Revenue

	SFY 2018	SFY 2019	SFY 2020	SFY 2021
FMAP Rates:				
Non-Cat FMAP	94.00%	93.50%	91.50%	90.00%
Other FMAP	64.38%	64.38%	64.38%	64.38%
Children's FMAP	98.07%	98.07%	98.07%	98.07%
Fiscal:				
	SFY 2018	SFY 2019	SFY 2020	SFY 2021
Claims: (Start Date 1/1/18)				
Total Members	89,473	89,473	89,473	89,473
Non-Cat Members				
Estimate of Non-Cats	64,199	64,199	64,199	64,199
PMPM	\$ 561.55	\$ 590.75	\$ 621.47	\$ 653.78
PMPY	\$ 3,369.29	\$ 7,088.98	\$ 7,457.61	\$ 7,845.40
		6@94%FFP & 6@93%	6@93%FFP & 6@90%	12@90%FFP
Number of months	6@94%	6@93%	6@90%	12@90%FFP
Total Computable	216,304,846	455,105,396	478,770,877	503,666,962
Federal Share	203,326,555	425,523,545	438,075,352	453,300,266
State Share	12,978,291	29,581,851	40,695,525	50,366,696
Parents:				
	\$ 1,647.46	\$ 3,466.25	\$ 3,646.49	\$ 3,836.11
Estimate of Parents previously on Mainecare	15,914	15,914	15,914	15,914
PMPM	274.58	288.85	303.87	319.68
Number of months	6	12	12	12
Total Computable	26,217,607	55,161,845	58,030,261	61,047,835
Federal Share	16,878,895	35,513,196	37,359,882	39,302,596
State Share	9,338,712	19,648,649	20,670,379	21,745,239
Parents (Woodwork)				
Estimate of Crowd Out for Parents	4,680	4,680	4,680	4,680
PMPM	274.58	288.85	303.87	319.68
Number of months	6	12	12	12
Total Computable	7,709,927	16,221,687	17,065,214	17,952,605
Federal Share	4,963,651	10,443,522	10,986,585	11,557,887
State Share	2,746,276	5,778,165	6,078,629	6,394,718
Children (Woodwork)				
Estimate of Crowd Out for Children	4,680	4,680	4,680	4,680
PMPM	\$ 324.71	\$ 341.59	\$ 359.35	\$ 378.04
Annual Total	9,117,576	19,183,381	20,180,917	21,230,324
Number of months	6	12	12	12
Total Computable	4,558,788	19,183,381	20,180,917	21,230,324
Federal Share	4,470,803	18,813,142	19,791,425	20,820,579
State Share	87,985	370,239	389,492	409,745
CLAIM SUMMARY				
010-10A-014701-6700	25,151,264	55,378,904	67,834,025	78,916,398
013-10A-014701-6700	229,639,904	490,293,405	506,213,244	524,981,328
Admin (Start Date 10/1/15)				
Object Class 1				
Eligibility Worker 010-10A-045301 (25%)	1,118,222	1,490,963	1,490,963	1,490,963
Eligibility Worker 014-10A-045301 (75%)	3,354,667	4,472,889	4,472,889	4,472,889
FI Unit Spvr 010-10A-045301 (50%)	270,544	360,726	360,726	360,726
FI Unit Spvr 014-10A-045301 (50%)	270,544	360,726	360,726	360,726
Office Asst II 010-10A-045301 (50%)	397,977	530,635	530,635	530,635
Office Asst II 014-10A-045301 (50%)	397,977	530,635	530,635	530,635
Object Class 2				
010-10A-045301-5300 Tech	59,107	78,810	78,810	78,810
014-10A-045301-5300 Tech	132,643	176,857	176,857	176,857
010-10A-045301-4200 Travel	14,288	19,050	19,050	19,050
014-10A-045301-4200 Travel	32,063	42,750	42,750	42,750
010-10A-045301-5000 Training	59,531	79,375	79,375	79,375
014-10A-045301-5000 Training	133,594	178,125	178,125	178,125
010-10A-045301-5600 Supplies	14,288	19,050	19,050	19,050
014-10A-045301-5600 Supplies	32,063	42,750	42,750	42,750
014-10A-45301-8511 Stacap	210,059	280,078	280,078	280,078
ADMIN SUMMARY				
010-10A-045301	1,933,957	2,578,609	2,578,609	2,578,609
014-10A-045301	4,563,608	6,084,810	6,084,810	6,084,810
TOTAL				
010 - General Fund	27,085,221	57,957,513	70,412,633	81,495,007
013 - Federal Expenditure Funds	229,639,904	490,293,405	506,213,244	524,981,328
014 - Other Special Revenue Fund	4,563,608	6,084,810	6,084,810	6,084,810
GRAND TOTAL	261,288,732	554,335,728	582,710,688	612,561,145

Potential Areas of Cost Savings Due to Medicaid Expansion

Savings from Transitioning Populations
Total Savings from HIV Waiver Enrollees, 0 - 138% FPL
Breast and Cervical Cancer Treatment Program 0 - 138% FPL
Medically Needy Spend-Down
Disabled
Pregnant Women 0 - 138% FPL
Savings from Reductions in State Programs
State Mental Health & Substance Abuse Spending
State Spending on Hospital Inpatient Costs of Prisoners
State Spending on Family Planning Services
General Assistance
RX Drug Program for Seniors & Disabled, 0 - 138% FPL

Purple – Greatest areas for savings

Question 2: "An Act To Enhance Access to Affordable Health Care"
 Timeline of Required Actions

DATE	PART-SECTION	DESCRIPTION
January 3, 2018		Effective Date of Legislation
April 3, 2018	A-3	The department shall submit a written state plan amendment
July 2, 2018	A-3	The department shall provide the same scope of medical assistance as described in 22 MRSA §3174-G, sub-§1, ¶E to a person under 65 years of age who is not otherwise eligible for assistance and who qualifies for medical assistance pursuant to 42 United States Code, Section 1396a(10)(A)(v)(III) when the person's income is at or below 133% plus 5% of the nonfarm income official poverty line for the applicable family size.
Between January 4, 2018 and the date of approval of the state plan amendment	A-4	The Department of Health and Human Services shall provide monthly reports to the joint on the progress of implementation and any issues that might delay implementation or act as barriers to implementation and any possible solutions to those issues and barriers.
January 3, 2019	A-5	The Department of Health and Human Services shall report to the joint standing committees of the Legislature having jurisdiction over health and human services matters and appropriations and financial affairs on the status of implementation...including information on enrollment, costs, revenues generated from the Federal Government and other revenues, anticipated state savings and other issues pertinent to implementation
May 3, 2019	B-1	Any state agency that recognizes savings as a result of implementation shall report to the joint standing committees of the Legislature having jurisdiction over health and human services matters, appropriations and financial affairs and criminal justice and public safety matters on the amount of General Fund savings and other savings resulting from coverage provided...the amount of savings realized during the preceding fiscal year and the amount of savings projected to be achieved during the remainder of that fiscal year and during the next fiscal year by service area and program.
August 31, 2019	B-2	The Department of Administrative and Financial Services, Maine Revenue Services shall report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs regarding any new revenues, including any increase in federal medical assistance payments resulting from coverage provided [under this act]. This report must also include information about the amount of federal funds received by the State as a result of coverage authorized [under this Act].
September 30, 2019	B-3	The Office of Fiscal and Program Review shall independently review reports required pursuant to sections 1 and 2 of this Part and report to the joint standing committees of the Legislature having jurisdiction over health and human services matters and appropriations and financial affairs on its determination of the savings and new revenue if any, resulting from implementation.

