

Sec. A-1. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Accident - Sickness - Health Insurance 0455

Initiative: BASELINE BUDGET

GENERAL FUND	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	0.500	0.500	0.500	0.500
Personal Services	\$0	\$11,992	\$20,507	\$21,607
All Other	\$659,017	\$780,638	\$780,638	\$780,638
GENERAL FUND TOTAL	\$659,017	\$792,630	\$801,145	\$802,245
RETIREE HEALTH INSURANCE FUND	History 2009-10	History 2010-11	2011-12	2012-13
All Other	\$48,400,235	\$48,400,235	\$48,400,235	\$48,400,235
RETIREE HEALTH INSURANCE FUND TOTAL	\$48,400,235	\$48,400,235	\$48,400,235	\$48,400,235
ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	13.000	13.000	13.000	13.000
Personal Services	\$957,747	\$957,625	\$939,761	\$969,705
All Other	\$913,132	\$935,213	\$935,213	\$935,213
ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND TOTAL	\$1,870,879	\$1,892,838	\$1,874,974	\$1,904,918
FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS HEALTH INSURANCE PROGRAM FUND	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	1.000	1.000	1.000	1.000
Personal Services	\$60,080	\$61,098	\$59,827	\$61,250
All Other	\$53,098	\$53,821	\$53,821	\$53,821
FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS HEALTH INSURANCE PROGRAM FUND TOTAL	\$113,178	\$114,919	\$113,648	\$115,071

Justification:

The Division of Employee Health & Benefits is responsible for (1) the management and administration of the State employee health plan, dental plan, direct reimbursement accounts, deferred compensation, vision care, long term care insurance and retired teacher health premium reimbursement; (2) the central management and administration of the Workers' Compensation claims for State employees; (3) management of contracted services for the Employee Assistance Programs (EAP); and (4) the development of health & safety policies and programs to reduce the incidence of illnesses and injuries to employees. The Division is comprised of two primary units with the following responsibilities: The Employee Health unit (1) administers the State employee health plan providing a point-of-service plan and Medicare Advantage plan to approximately 40,000 covered lives. This unit administers subscriber enrollment, premium billing, claim resolution, and contract management for the health, dental, and voluntary benefits (flex spending accounts, deferred compensation, vision care and long term care insurance). This unit supports the State Employee Health Commission which serves as trustees to the State employee health plan. The unit facilitates agreements with Commission members in

order to develop policies and practices designed to contain plan costs while ensuring access to high quality, affordable health care services. This unit partners with a variety of vendors to analyze claims experience, identify trends and develop benefit design features. (2) Another area of responsibility is the EAP, which provides confidential assessment, referral, and counseling services for all State employees and their family members. The EAP assesses client needs and refers employee to appropriate community based providers. Additionally, the EAP provides short-term professional counseling services related to a wide range of personal issue, which may affect job performance. The primary objective of EAP is to provide direct services to enhance the productivity, performance, and quality of life of State employees. (3) Finally, the unit coordinates employee health and safety initiatives in cooperation with seventeen departmental health and safety committees. The unit provides consultation for work site assessments, ergonomic training, and other intervention strategies to reduce the risk of exposure to work related injuries. As part of the statewide safety programs, this unit manages the alcohol and drug testing policies and programs in order to comply with the Federal Highway Administration (FHWA) rules. The Workers' compensation Unit is responsible for case management of claims filed in the Executive, Legislative, and Judicial branches. The unit directs agencies in the timely reporting and payment of claims, monitors and controls medical costs, implements return-to-work programs, interprets Workers' Compensation law and policies for agencies and directs a management information system. The unit works closely with line agency representatives to ensure compliance with established reporting and payment standards and to develop policies and procedures to maximize efficiency and ensure effective management of all claims.

**ACCIDENT - SICKNESS - HEALTH INSURANCE 0455
PROGRAM SUMMARY**

GENERAL FUND	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	0.500	0.500	0.500	0.500
Personal Services	\$0	\$11,992	\$20,507	\$21,607
All Other	\$659,017	\$780,638	\$780,638	\$780,638
GENERAL FUND TOTAL	\$659,017	\$792,630	\$801,145	\$802,245

RETIREE HEALTH INSURANCE FUND	History 2009-10	History 2010-11	2011-12	2012-13
All Other	\$48,400,235	\$48,400,235	\$48,400,235	\$48,400,235
RETIREE HEALTH INSURANCE FUND TOTAL	\$48,400,235	\$48,400,235	\$48,400,235	\$48,400,235

ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	13.000	13.000	13.000	13.000
Personal Services	\$957,747	\$957,625	\$939,761	\$969,705
All Other	\$913,132	\$935,213	\$935,213	\$935,213
ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND TOTAL	\$1,870,879	\$1,892,838	\$1,874,974	\$1,904,918

FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS HEALTH INSURANCE PROGRAM FUND	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	1.000	1.000	1.000	1.000
Personal Services	\$60,080	\$61,098	\$59,827	\$61,250
All Other	\$53,098	\$53,821	\$53,821	\$53,821
FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS HEALTH INSURANCE PROGRAM FUND TOTAL	\$113,178	\$114,919	\$113,648	\$115,071

Trade Adjustment Assistance Health Insurance Z001

Initiative: BASELINE BUDGET

	History 2009-10	History 2010-11	2011-12	2012-13
FEDERAL EXPENDITURES FUND				
All Other	\$20,962	\$20,962	\$8,385	\$8,385
FEDERAL EXPENDITURES FUND TOTAL	\$20,962	\$20,962	\$8,385	\$8,385
	History 2009-10	History 2010-11	2011-12	2012-13
OTHER SPECIAL REVENUE FUNDS				
All Other	\$75,000	\$75,000	\$75,000	\$75,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$75,000	\$75,000	\$75,000	\$75,000

Justification:

The purpose of this program is to provide a group health insurance product for individuals certified to receive federal assistance for health coverage under the terms of the tax credit program within the federal Trade Adjustment Assistance Reform Act of 2002. Individuals certified under the Trade Adjustment Assistance Reform Act are workers who have been displaced as a result of foreign competition

**TRADE ADJUSTMENT ASSISTANCE HEALTH INSURANCE Z001
PROGRAM SUMMARY**

	History 2009-10	History 2010-11	2011-12	2012-13
FEDERAL EXPENDITURES FUND				
All Other	\$20,962	\$20,962	\$8,385	\$8,385
FEDERAL EXPENDITURES FUND TOTAL	\$20,962	\$20,962	\$8,385	\$8,385
	History 2009-10	History 2010-11	2011-12	2012-13
OTHER SPECIAL REVENUE FUNDS				
All Other	\$75,000	\$75,000	\$75,000	\$75,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$75,000	\$75,000	\$75,000	\$75,000

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

DEPARTMENT TOTALS	2011-12	2012-13
GENERAL FUND	\$801,145	\$802,245
FEDERAL EXPENDITURES FUND	\$8,385	\$8,385
OTHER SPECIAL REVENUE FUNDS	\$75,000	\$75,000
RETIREE HEALTH INSURANCE FUND	\$48,400,235	\$48,400,235
ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND	\$1,874,974	\$1,904,918
FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS HEALTH INSURANCE PROGRAM FUND	\$113,648	\$115,071
DEPARTMENT TOTAL - ALL FUNDS	\$51,273,387	\$51,305,854

Sec. A-18. Appropriations and allocations.

The following appropriations and allocations are made.

DIRIGO HEALTH

Dirigo Health Fund 0988

Initiative: BASELINE BUDGET

FEDERAL EXPENDITURES FUND	History 2009-10	History 2010-11	2011-12	2012-13
All Other	\$0	\$8,025,915	\$8,025,915	\$8,025,915
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$8,025,915	\$8,025,915	\$8,025,915

DIRIGO HEALTH FUND	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	13.000	13.000	13.000	13.000
Personal Services	\$1,326,402	\$1,360,020	\$1,329,604	\$1,369,836
All Other	\$47,050,113	\$70,798,821	\$70,641,652	\$70,641,652
DIRIGO HEALTH FUND TOTAL	\$48,376,515	\$72,158,841	\$71,971,256	\$72,011,488

Justification:

A key part of the Dirigo Health Reform Legislation was the creation of the Dirigo Health Agency. The Reform created the Agency as an independent executive agency "to arrange for the provision of comprehensive, affordable health care coverage to eligible small employers, including the self-employed, their employees and dependents, and individuals on a voluntary basis, and is also responsible for monitoring and improving the quality of health care in this State." (24-A M.R.S.A. §6902). When enacted in 2003, Governor Baldacci's Dirigo Health Reform Initiative was the first major health reform to be enacted in any state in over a decade. In the years since passage of Dirigo Health, other states have followed suit. The Agency operates under the supervision of a Board of Trustees. The composition of the Board was enhanced as a result of PL 2007 Chapter 447, from 5 voting members to 9 voting members and 3 ex officio, nonvoting members to 4. Since its inception the Dirigo Health Agency continues to pursue its mission of expanding access to and improving the quality of health care in the state. At the end of SFY2008 the Agency has:

1. Expanded the total number of Maine citizens statewide who had obtained access to care through its programs to 28,745 since the inception.
2. Continued to work against national trends by reducing the rate of uninsured in the State, consistent with its operations every year since 2003.
3. Saw continued reduction in hospital costs due to the hospitals' compliance with the voluntary targets set in the Dirigo Reform Act, consistent with its operations every year since 2003.
4. Completed collection and analysis of key hospital performance indicators for health care associated infection (HAI) prevention. This collection and analysis allows citizens and health care professionals to compare hospital performance in the prevention of HAI and provides a baseline for future comparisons.
5. Facilitated the creation of the Maine Infection Control Collaborative, a quality improvement consortium aimed at the spread of best practices in hospitals for infection prevention and control. Nearly all of Maine's acute care hospitals are now members of the Collaborative.
6. Led a successful application to Medicare to designate Maine as a demonstration site for the use of electronic medical record in small and medium size primary care medical practices. Up to 45% of Maine's primary care practices will participate in this program, meaning new federal dollars approaching \$29 million for successful performance.

While reaching these goals, the Agency continues to face challenges with on-going financing. To meet these challenges, the Agency has increased the amount of the office visit and prescription drug copayments in the DirigoChoice program; increased the amount of Coinsurance members are responsible for from 20% to 30%; capped enrollment in the DirigoChoice program effective September, 2007 (there are over 2,000 citizens currently on a waiting list to enroll) and transitioned the DirigoChoice program from Anthem Blue Cross Blue Shield to Harvard Pilgrim Health Care because of a better financial arrangement. The Agency continues to exert tight control over its financial operations. In fiscal year 2008 the Agency reduced the operating expense ratio to 3.4% from 5.9% in SFY 2007 for the DirigoChoice product; completed fiscal year 2007 financial audit with no

findings and managed total Agency expenses to 95% of Agency forecast. The primary source of funding for the Agency is the Savings Offset Payment (SOP). The SOP is an assessment the State levies on health insurance companies (and self-insured companies) in Maine based on a determination of Aggregate Measurable Cost Savings (AMCS) due to the operations of Dirigo Health (24-A M.R.S.A. §6913). To date the SOP process has proven contentious and logistically challenging for the Agency. Consider that: * The Chamber of Commerce, the Maine Automobile Dealer's Insurance Trust, and the Maine Association of Health Plans have intervened each year the AMCS process has occurred to dispute the AMCS amount. In 2005 these parties pursued their objections to the Maine Supreme Court. The Supreme Court upheld the State's determination. At the time of this report these parties along with Anthem Blue Cross and Blue Shield of Maine are appealing the most recent AMCS decision to Kennebec Superior Court. * The AMCS process costs the Agency a million dollars a year in consulting services. * Because the AMCS is variable from year to year, the SOP assessment is variable from year to year, making forecasting and planning difficult for both the Agency and the payers. * Because the SOP is levied as each insured account renews and then applied for a full twelve months, it takes two years for the Agency to collect a full SOP. Collecting one year's worth of revenue over two years creates a cash flow problem, where the timing of the payout of expenses does not match the timing of the receipt of revenue. The Legislature recognized these challenges in passing Public Law 2007 Chapter 629. This new law repealed the Savings Offset Payment and replaced it with new funding, including a tax on beer, wine and soda, eliminating the challenges of the SOP. This effort was repealed through a People's Veto and so the current funding mechanism remains in place. In order for the Agency to meet its monthly obligations it borrows from the State's cash pool. As the Agency receives SOP revenue it returns the borrowed funds to the cash pool. The Agency looks forward to working with the Governor and the 124th Legislature to find a solution to the challenges of the SOP.

Dirigo Health Fund 0988

Initiative: Provides funding to align allocations with projected available resources.

Ref. #: 7290

Committee Vote: _____

AFA Vote: _____

DIRIGO HEALTH FUND

	2011-12	2012-13
All Other	\$3,017,835	\$5,049,763
DIRIGO HEALTH FUND TOTAL	\$3,017,835	\$5,049,763

Justification:

Original revenue projections anticipated additional revenue from employer and member contributions, resulting in this allocation request.

Dirigo Health Fund 0988

Initiative: Reduces funding to align allocations for the federal Health Resource and Services Administration grant with existing resources.

Ref. #: 7300

Committee Vote: _____

AFA Vote: _____

FEDERAL EXPENDITURES FUND

	2011-12	2012-13
All Other	(\$1,362,011)	(\$1,362,011)
FEDERAL EXPENDITURES FUND TOTAL	(\$1,362,011)	(\$1,362,011)

**DIRIGO HEALTH FUND 0988
PROGRAM SUMMARY**

	History 2009-10	History 2010-11	2011-12	2012-13
FEDERAL EXPENDITURES FUND				
All Other	\$0	\$8,025,915	\$11,521,047	\$11,521,047
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$8,025,915	\$11,521,047	\$11,521,047
	History 2009-10	History 2010-11	2011-12	2012-13
DIRIGO HEALTH FUND				
POSITIONS - LEGISLATIVE COUNT	13.000	13.000	13.000	13.000
Personal Services	\$1,326,402	\$1,360,020	\$1,329,604	\$1,369,836
All Other	\$47,050,113	\$70,798,821	\$65,721,431	\$56,952,238
DIRIGO HEALTH FUND TOTAL	\$48,376,515	\$72,158,841	\$67,051,035	\$58,322,074

DIRIGO HEALTH

DEPARTMENT TOTALS	2011-12	2012-13
FEDERAL EXPENDITURES FUND	\$11,521,047	\$11,521,047
DIRIGO HEALTH FUND	\$67,051,035	\$58,322,074
DEPARTMENT TOTAL - ALL FUNDS	\$78,572,082	\$69,843,121

Sec. A-59. Appropriations and allocations. The following appropriations and allocations are made.

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF

Bureau of Consumer Credit Protection 0091

Initiative: BASELINE BUDGET

OTHER SPECIAL REVENUE FUNDS	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	16.500	16.500	16.500	16.500
Personal Services	\$1,189,691	\$1,162,623	\$1,303,985	\$1,359,046
All Other	\$312,450	\$389,795	\$389,795	\$389,795
OTHER SPECIAL REVENUE FUNDS TOTAL	\$1,502,141	\$1,552,418	\$1,693,780	\$1,748,841

Justification:

The Bureau of Consumer Credit Protection protects the citizens of Maine from unfair and deceptive practices with respect to various financial services, including consumer credit and debt collection. This is accomplished through enforcing state laws to assist consumers who are subject to illegal credit-related practices, educating consumers and creditors as to their rights and responsibilities under those laws, and encouraging the development of fair and economically-sound consumer credit practices. The agency enforces the Maine Consumer Credit Code, Title 9-A, as it applies to all creditors and lenders other than banks and credit unions. Enforcement responsibilities also extend to other statutes, including the Fair Debt Collection Practices Act, the Fair Credit Reporting Act, and Maine's "Plain Language" Law. The agency regulates retail creditors, pawnshops, rent-to-own stores, mortgage companies, loan arrangers and credit bureaus. In addition, the office is responsible for ensuring legal compliance by money transmitters, money order issuers, operators of non-bank Automated Teller Machines, debt management service providers (credit counselors), payroll processors, and individual loan officers employed by non-bank lenders or loan brokers. The bureau enforces Truth in Lending, Regulation Z, credit disclosure requirements. Maine has received exemptions from federal oversight due to the State's diligent enforcement of the principles of the Truth-in-Lending Act and the Fair Debt Collection Practices Act.

Bureau of Consumer Credit Protection 0091

Initiative: Provides funding to meet foreclosure prevention obligations.

Ref. #: 19090

Committee Vote: _____

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2011-12	2012-13
All Other	\$587,815	\$587,815
OTHER SPECIAL REVENUE FUNDS TOTAL	\$587,815	\$587,815

Justification:

The Foreclosure Prevention Program has experienced a high volume caseload, which requires that additional resources be dedicated to the program. This initiative provides funding for the bureau to meet the public need. A portion of the funding will be used to contract with nonprofit agencies for housing counselors.

Bureau of Consumer Credit Protection 0091

Initiative: Reduces funding by freezing one vacant Principal Examiner position and one vacant Secretary Associate Supervisor position.

Ref. #: 19100

Committee Vote: _____

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS

	2011-12	2012-13
Personal Services	(\$142,742)	(\$152,584)
All Other	(\$143)	(\$153)
OTHER SPECIAL REVENUE FUNDS TOTAL	(\$142,885)	(\$152,737)

Justification:

This initiative will freeze two vacant positions for the Bureau of Consumer Credit Protection; a Principal Examiner position and Secretary Associate Supervisor position.

Bureau of Consumer Credit Protection 0091

Initiative: Establishes one limited-period Senior Consumer Credit Examiner position for the foreclosure prevention program to assist with the foreclosure hotline and case review. This position ends on June 8, 2013.

Ref. #: 19110

Committee Vote: _____

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS

	2011-12	2012-13
Personal Services	\$72,033	\$76,835
All Other	\$72	\$77
OTHER SPECIAL REVENUE FUNDS TOTAL	\$72,105	\$76,912

Justification:

This initiative establishes a Senior Consumer Credit Examiner position in the Foreclosure Prevention program. This position will assist the many consumers who call each day on the foreclosure hotline to complete intake forms, determine which cases should be processed by the bureau and to make proper referrals of those cases that can be best handled by non-profit housing counselors or legal assistance offices under contract with the bureau.

**BUREAU OF CONSUMER CREDIT PROTECTION 0091
PROGRAM SUMMARY**

OTHER SPECIAL REVENUE FUNDS	History 2009-10	History 2010-11	2011-12	2012-13
POSITIONS - LEGISLATIVE COUNT	16.500	16.500	16.500	16.500
Personal Services	\$1,189,691	\$1,162,623	\$1,233,276	\$1,283,297
All Other	\$312,450	\$389,795	\$977,539	\$977,534
OTHER SPECIAL REVENUE FUNDS TOTAL	\$1,502,141	\$1,552,418	\$2,210,815	\$2,260,831

Financial Institutions - Bureau of 0093

Initiative: BASELINE BUDGET

	History 2009-10	History 2010-11	2011-12	2012-13
OTHER SPECIAL REVENUE FUNDS				
POSITIONS - LEGISLATIVE COUNT	21.000	21.000	21.000	21.000
Personal Services	\$1,759,284	\$1,812,188	\$1,743,693	\$1,801,560
All Other	\$644,377	\$644,377	\$644,377	\$644,377
OTHER SPECIAL REVENUE FUNDS TOTAL	\$2,403,661	\$2,456,565	\$2,388,070	\$2,445,937

Justification:

The Bureau of Financial Institutions is an agency within the Department of Professional and Financial Regulation. The bureau is divided into 2 divisions: one for research and administration and the other responsible for examination and supervision. The bureau is funded by dedicated revenue. The bureau regulates all state-chartered banks and credit unions through the administration and enforcement of the Maine Banking Code and the Maine Consumer Credit Code. The bureau's statutory mission is to assure the strength, stability and efficiency of all financial institutions, ensure reasonable and orderly competition, encourage the development and expansion of financial services advantageous to the public welfare and protect consumers against unfair practices by financial institutions that provide consumer credit.

FINANCIAL INSTITUTIONS - BUREAU OF 0093

PROGRAM SUMMARY

	History 2009-10	History 2010-11	2011-12	2012-13
OTHER SPECIAL REVENUE FUNDS				
POSITIONS - LEGISLATIVE COUNT	21.000	21.000	21.000	21.000
Personal Services	\$1,759,284	\$1,812,188	\$1,743,693	\$1,801,560
All Other	\$644,377	\$644,377	\$644,377	\$644,377
OTHER SPECIAL REVENUE FUNDS TOTAL	\$2,403,661	\$2,456,565	\$2,388,070	\$2,445,937

Insurance - Bureau of 0092

Initiative: BASELINE BUDGET

	History 2009-10	History 2010-11	2011-12	2012-13
OTHER SPECIAL REVENUE FUNDS				
POSITIONS - LEGISLATIVE COUNT	81.500	81.500	80.000	80.000
Personal Services	\$6,674,781	\$6,874,579	\$6,640,956	\$6,865,391
All Other	\$1,884,360	\$2,013,751	\$2,013,751	\$2,013,751
OTHER SPECIAL REVENUE FUNDS TOTAL	\$8,559,141	\$8,888,330	\$8,654,707	\$8,879,142

Justification:

The Bureau of Insurance is responsible for the regulation and supervision of the insurance industry in Maine. This includes, but is not limited to, insurance companies, producers (formerly referred to as "agents"), health maintenance organizations (HMOs), employers' self insured for workers' compensation and other insurance entities. To meet this responsibility, the bureau is empowered to license insurance companies to operate in the State of Maine, as well as non-profit hospital, medical or other health service organizations, health maintenance organizations, insurance producers, medical utilization review entities, third-party administrators, continuing care retirement communities, advisory organizations and reinsurance intermediaries/managers. The bureau registers preferred provider organizations, risk purchasing groups, risk retention groups, managing general agents and employee leasing plans. The bureau regularly conducts vigorous financial examinations of all domestic insurers as well as examinations to determine market compliance with the Maine Insurance Code. Bureau staff also reviews all the financial statements, Securities and Exchange Commission filings and other publicly available information on all licensed and authorized insurance companies doing business in Maine, the emphasis being on the domestic carriers. The bureau also examines and issues licenses to qualified applicants as insurance producers, consultants and adjusters. All policy forms and contracts used in Maine must be filed by insurance companies for approval by the bureau which administers the rating laws that apply to certain lines of insurance. The bureau may seek suspension or revocation of licenses in instances where licensees have failed to comply with the statutory provisions of Titles 24 and 24-A and the lawful regulations of the bureau.

Insurance - Bureau of 0092

Initiative: Provides funding to establish baseline allocation to receive and expend federal funds to further purposes of the Bureau of Insurance.

Ref. #: 19140

Committee Vote: _____

AFA Vote: _____

	2011-12	2012-13
FEDERAL EXPENDITURES FUND		
All Other	\$1,000,000	\$1,000,000
FEDERAL EXPENDITURES FUND TOTAL	\$1,000,000	\$1,000,000

Justification:

This initiative establishes an allocation for the Bureau of Insurance for programs funded by the Federal Government. Increasing grant opportunities are being made available and this initiative will enable the Bureau of Insurance to apply for and expend federal funds.

**INSURANCE - BUREAU OF 0092
PROGRAM SUMMARY**

	History 2009-10	History 2010-11	2011-12	2012-13
FEDERAL EXPENDITURES FUND				
All Other			\$1,000,000	\$1,000,000
FEDERAL EXPENDITURES FUND TOTAL			<hr/>	<hr/>
			\$1,000,000	\$1,000,000
	History 2009-10	History 2010-11	2011-12	2012-13
OTHER SPECIAL REVENUE FUNDS				
POSITIONS - LEGISLATIVE COUNT	81.500	81.500	80.000	80.000
Personal Services	\$6,674,781	\$6,874,579	\$6,640,956	\$6,865,391
All Other	\$1,884,360	\$2,013,751	\$2,013,751	\$2,013,751
OTHER SPECIAL REVENUE FUNDS TOTAL	<hr/>	<hr/>	<hr/>	<hr/>
	\$8,559,141	\$8,888,330	\$8,654,707	\$8,879,142

Office of Securities 0943

Initiative: BASELINE BUDGET

	History 2009-10	History 2010-11	2011-12	2012-13
OTHER SPECIAL REVENUE FUNDS				
POSITIONS - LEGISLATIVE COUNT	12,000	12,000	12,000	12,000
Personal Services	\$954,956	\$988,316	\$987,117	\$1,018,301
All Other	\$410,765	\$431,363	\$431,363	\$431,363
OTHER SPECIAL REVENUE FUNDS TOTAL	\$1,365,721	\$1,419,679	\$1,418,480	\$1,449,664

Justification:

The Office of Securities was formed to protect Maine citizens against fraud and other abusive practices in connection with the sale of securities. The office's major functions include licensing persons engaged in the business of selling securities or providing investment advice, registering securities being offered and sold in Maine, and investigating and prosecuting alleged violations of the securities laws. The Office of Securities administers and enforces the Maine Uniform Securities Act, the laws governing the sale of business opportunities, and the Maine Commodity Code.

Office of Securities 0943

Initiative: Provides funding to support the procurement of expert witnesses necessary for the increase of enforcement cases with the Office of Securities.

Ref. #: 19510

Committee Vote: _____

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2011-12	2012-13
All Other	\$20,020	\$20,020
OTHER SPECIAL REVENUE FUNDS TOTAL	\$20,020	\$20,020

Justification:

The Office of Securities has had a significant increase in enforcement cases, requiring additional resources for investigation and prosecution. This initiative will allow the Office to meet the increased obligations of enforcement.

Office of Securities 0943

Initiative: Provides funding for the increase in legal services provided by the Office of the Attorney General.

Ref. #: 19520

Committee Vote: _____

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2011-12	2012-13
All Other	\$28,489	\$26,192
OTHER SPECIAL REVENUE FUNDS TOTAL	\$28,489	\$26,192

Justification:

The Office of Securities has an increased caseload of investigations and prosecutions. This initiative will allow the office to pay for additional resources necessary from the Office of the Attorney General.

Office of Securities 0943

Initiative: Provides funding to establish baseline allocation for the Office of Securities program to receive and expend federal funds.

Ref. #: 19530

Committee Vote: _____

AFA Vote: _____

FEDERAL EXPENDITURES FUND

	2011-12	2012-13
All Other	\$10,113	\$10,113
FEDERAL EXPENDITURES FUND TOTAL	\$10,113	\$10,113

Justification:

This initiative will allow the Office of Securities to expend federal funds consistent with the purposes for which the Office was established, including protection of the public from fraudulent marketing.

Office of Securities 0943

Initiative: Continues one limited-period Senior Securities Examiner position and one limited-period Securities Examiner-in-Charge position through June 8, 2013 that were previously established by Financial Order 6425 F11.

Ref. #: 19540

Committee Vote: _____

AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS

	2011-12	2012-13
Personal Services	\$156,608	\$166,996
All Other	\$1,762	\$1,879
OTHER SPECIAL REVENUE FUNDS TOTAL	\$158,370	\$168,875

Justification:

This initiative continues two positions for the purpose of handling the increased examinations and audits for compliance of Securities laws and regulations. Office of Securities estimates an increase of 17 additional examinations many of which are new financial advisors as well as additional and more complex products in the scope of the examinations.

**OFFICE OF SECURITIES 0943
PROGRAM SUMMARY**

	History 2009-10	History 2010-11	2011-12	2012-13
FEDERAL EXPENDITURES FUND				
All Other			\$10,113	\$10,113
FEDERAL EXPENDITURES FUND TOTAL			<hr/>	<hr/>
			\$10,113	\$10,113
	History 2009-10	History 2010-11	2011-12	2012-13
OTHER SPECIAL REVENUE FUNDS				
POSITIONS - LEGISLATIVE COUNT	12,000	12,000	12,000	12,000
Personal Services	\$954,956	\$988,316	\$1,143,725	\$1,185,297
All Other	\$410,765	\$431,363	\$481,634	\$479,454
OTHER SPECIAL REVENUE FUNDS TOTAL	<hr/>	<hr/>	<hr/>	<hr/>
	\$1,365,721	\$1,419,679	\$1,625,359	\$1,664,751

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF

DEPARTMENT TOTALS	2011-12	2012-13
FEDERAL EXPENDITURES FUND	\$1,010,113	\$1,010,113
OTHER SPECIAL REVENUE FUNDS	\$14,878,951	\$15,250,661
DEPARTMENT TOTAL - ALL FUNDS	\$15,889,064	\$16,260,774

PART BBB

Sec. BBB-1. 24-A §6917, sub-§1, lst ¶, as enacted by PL 2009, c. 359, §4 and affected by §8 is amended to read:

1. Access payments required from health insurance carriers, 3rd-party administrators and employee benefit excess insurance carriers. All-health insurance carriers, 3rd-party administrators and employee benefit excess insurance carriers shall pay an access payment ~~of 2.14%~~ on all paid claims, except claims under accidental injury, specified disease, hospital indemnity, dental, vision, disability income, long-term care, Medicare supplement or other limited benefit health insurance. The amount of the access payment is 2.14% on claims for services provided through June 30, 2011, 1.75% on claims for services provided from July 1, 2011 to June 30, 2012, 1.25% on claims for services provided from July 1, 2012 to June 30, 2013 and 0.75% on claims for services provided from July 1, 2013 to December 31, 2013. No access payment may be charged for any claims for services provided on January 1, 2014 or thereafter. The following provisions govern access payments.

**SUMMARY
PART BBB**

This Part reduces the access payments made to support the cost of the Dirigo Health Agency from 2.14% to 1.75% on July 1, 2011, to 1.25% on July 1, 2012, to 0.75% on July 1, 2013 and eliminates the access payment effective January 1, 2014.

Note: This Language Part was revised and resubmitted by the Governor. It will not match what was posted on the Bureau of the Budget website.

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Revenue				
Dirigo Health Fund				
PART BBB, Section 1	(\$7,938,056)	(\$18,739,177)	(\$37,162,525)	(\$45,058,246)