



128th MAINE LEGISLATURE

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Legislative Document

No. 1274

H.P. 887

House of Representatives, April 4, 2017

An Act To Promote Universal Health Care, Including Dental, Vision and Hearing Care

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative BROOKS of Lewiston.
Cosponsored by Senator GRATWICK of Penobscot and
Representatives: FARNSWORTH of Portland, GRANT of Gardiner, HARLOW of Portland,
McCREIGHT of Harpswell, TUCKER of Brunswick, Senators: BELLOWS of Kennebec,
CARPENTER of Aroostook, JACKSON of Aroostook.

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

2 **PART A**

3 **Sec. A-1. 24-A MRSA c. 95** is enacted to read:

4 **CHAPTER 95**

5 **HEALTHY MAINE ACT**

6 **§7501. Short title**

7 This chapter may be known and cited as "the Healthy Maine Act."

8 **§7502. Definitions**

9 As used in this chapter, unless the context otherwise indicates, the following terms
10 have the following meanings.

11 **1. Beneficiary.** "Beneficiary" means an individual whose primary residence is in the
12 State.

13 **2. Board.** "Board" means the board of trustees of Healthy Maine established in
14 section 7504.

15 **3. Children's Health Insurance Program.** "Children's Health Insurance Program"
16 means the children's health benefit plan established in Title 22, section 3174-T.

17 **4. Healthy Maine.** "Healthy Maine" means the body created in section 7503.

18 **5. MaineCare.** "MaineCare" means the medical assistance program authorized in
19 Title XIX of the federal Social Security Act, as amended, and administered under Title
20 22, chapter 855.

21 **6. Provider.** "Provider" means a health care professional licensed by the State and
22 includes individuals, hospitals and other health care facilities licensed or certified by the
23 State. "Provider" includes an individual or entity that provides services, medical
24 interventions, pharmaceuticals or equipment used to treat beneficiaries.

25 **§7503. Healthy Maine; establishment; governance**

26 Healthy Maine is created as a body corporate and politic and a public instrumentality
27 of the State to finance health care services for all residents of the State, to administer state
28 and federal health care funds and to institute fiscally sound payment policies that improve
29 and maintain high standards for value, quality and healthy outcomes for all beneficiaries.

30 **§7504. Board of trustees of Healthy Maine**

31 **1. Establishment.** The board of trustees of Healthy Maine is established to oversee
32 the operations of Healthy Maine.

1 **2. Terms.** Members of the board serve 4-year terms, and members may serve a
2 maximum of 3 consecutive 4-year terms. Members reaching the end of their terms may
3 serve until replacements are named.

4 **3. Removal of member.** A member of the board may be removed for cause by a
5 majority vote of the other members.

6 **4. Duties of the board.** The board shall:

7 A. Adopt bylaws, procedures, rules and policies, and ratify, amend or reject those
8 bylaws, procedures, rules and policies adopted by the board;

9 B. Hire staff to administer the operations of Healthy Maine, including a chief
10 executive officer, a chief financial officer and a chief medical officer;

11 C. Establish a central purchasing authority responsible for negotiating favorable
12 prices for prescription drugs, medical equipment and other products and services
13 required by Healthy Maine;

14 D. Provide funds to the superintendent for the operation of separate ombudsman
15 offices for beneficiaries and providers, each of which must have the capacity to
16 investigate and respond to inquiries and complaints and make recommendations to
17 the board. Funding provided pursuant to this paragraph must be sufficient to allow
18 the timely completion of all investigations;

19 E. Establish and fund an office for the investigation and prevention of fraud. The
20 office may bring civil actions in the name of Healthy Maine to recover any monies or
21 the value of any benefits obtained by fraud or mistake and may refer fraudulent
22 conduct to a district attorney for criminal prosecution;

23 F. Establish procedures for managing surplus funding by maintaining necessary
24 operating reserves, increasing benefits or issuing refunds to members;

25 G. Establish procedures for ensuring financial sustainability by adjusting payments
26 and benefits;

27 H. Adopt rules for independent annual performance and financial audits;

28 I. Adopt rules that protect beneficiary confidentiality while allowing for publicly
29 available research of Healthy Maine's databases;

30 J. Adopt rules to ensure transparency in its operations and decision making. The
31 rules must be at least as strict as the requirements in the laws governing freedom of
32 access set forth in Title 1, chapter 13;

33 K. Approve and make publicly available an annual budget;

34 L. Facilitate creation of efficient medical records and billing records systems that:

35 (1) Can be easily accessed by providers and beneficiaries;

36 (2) Allow Healthy Maine to maintain a central database of medical records
37 suitable for management and cross-sectional and longitudinal research purposes;

1 (3) Ensure the confidentiality of beneficiaries' medical records in compliance
2 with all federal and state health care laws, regulations and rules concerning the
3 confidentiality of patient medical records; and

4 (4) Is easily portable to and interoperable with all other medical records systems
5 in use throughout the State;

6 M. Administer all state funds for health care services provided to beneficiaries;

7 N. Establish policies and procedures to pay benefits for health care services rendered
8 to a beneficiary who is temporarily living or traveling in another state; and

9 O. Establish an appeals procedure that allows beneficiaries and providers to
10 challenge coverage and payment decisions. Final action on an appeal is subject to
11 judicial review according to state law for the review of final agency actions.

12 **5. Authority of the board.** The board may:

13 A. Authorize reasonable compensation and expense reimbursement for the members;

14 B. Seek waivers from state and federal laws, rules and regulations;

15 C. Seek and accept gifts, grants and donations on behalf of Healthy Maine;

16 D. Adopt rules as necessary for the proper administration and enforcement of this
17 chapter; and

18 E. Exercise other powers necessary and proper to fulfill Healthy Maine's
19 responsibilities.

20 **§7505. Health care services**

21 **1. Required services.** Healthy Maine shall contract with providers to pay for health
22 care services to beneficiaries, which must include:

23 A. Ambulatory patient services, including primary and specialty care;

24 B. Hospitalization;

25 C. Prescription drugs and durable medical equipment;

26 D. Mental health and substance use disorder services, including behavioral health
27 treatment;

28 E. Emergency and urgent care;

29 F. Preventive and wellness services and chronic disease management;

30 G. Rehabilitative and habilitative services and devices;

31 H. Pediatric services, including oral, vision and hearing care;

32 I. Laboratory services;

33 J. Maternity and newborn care;

34 K. Palliative and end-of-life care; and

35 L. Dental, vision and hearing care.

1 **2. Additional services.** The board may authorize payment for services not specified
2 in subsection 1.

3 **3. Healthy Maine responsible for payment.** Healthy Maine shall pay for health
4 care services to beneficiaries in accordance with this subsection.

5 A. Healthy Maine shall pay for health care services to beneficiaries regardless of the
6 cause of their injuries or illnesses.

7 B. Beginning July 1, 2020, Healthy Maine shall assume responsibility for payment
8 of all reasonable and necessary medical expenses incurred by workers who suffer
9 injuries or illnesses arising out of and in the course of their employment. Healthy
10 Maine's responsibility extends only to employees whose employers are required
11 under the Maine Workers' Compensation Act of 1992 to provide workers'
12 compensation insurance for their employees. Workers suffering from injuries or
13 illnesses arising out of and in the course of their employment are entitled to the same
14 benefits and have the same rights and responsibilities as other beneficiaries.

15 C. For individuals eligible for MaineCare, the Children's Health Insurance Program
16 and any other federal health care programs to be administered by Healthy Maine, the
17 benefit package under Healthy Maine must include:

18 (1) The benefits required by federal law;

19 (2) Any optional MaineCare benefits authorized under state law or services
20 covered under the Children's Health Insurance Program for which these
21 individuals are eligible; and

22 (3) Any additional benefits provided in Healthy Maine's benefit package.

23 D. An individual who loses eligibility for state or federal benefits under MaineCare
24 or the Children's Health Insurance Program must receive the same benefits as any
25 other beneficiary of Healthy Maine.

26 **4. Deductibles prohibited.** Healthy Maine may not charge deductibles to
27 beneficiaries.

28 **5. Waiver of copayments; primary and preventive care services.** The board shall
29 adopt rules for waiving copayments when copayments will cause financial hardship for a
30 beneficiary. The board may not require copayments for designated primary and
31 preventive care services.

32 **6. Approval required.** A provider may not require a beneficiary to make a
33 copayment or submit to any other cost-sharing arrangement without Healthy Maine's
34 approval.

35 **7. Choice of provider.** Healthy Maine shall allow beneficiaries to choose their own
36 primary care providers.

37 **8. Access to services.** Healthy Maine may provide funding and other support to
38 improve access to health care services for all beneficiaries regardless of where they live
39 in the State and may provide funding and other support for statewide access to emergency
40 and trauma care services.

1 Insurance and Financial Services are authorized to jointly meet as needed, but shall meet
2 at least 3 times, during the 2017 legislative interim to oversee planning and
3 implementation related to the establishment of Healthy Maine. At these meetings, the
4 Commissioner of Health and Human Services and the Superintendent of Insurance shall
5 brief the committees on planning issues, progress, challenges and the timeline for
6 implementation. The committees shall provide opportunities for health care consumers,
7 providers and advocates to speak to the committee. The committees shall jointly submit
8 legislation to the Second Regular Session of the 128th Legislature by January 15, 2018 to
9 implement Part A of this Act. The committees shall include in the legislation provisions
10 to:

- 11 1. Fund the operation of Healthy Maine;
- 12 2. Transfer responsibility for administering the MaineCare program and the
13 children's health insurance program established in the Maine Revised Statutes, Title 22,
14 section 3174-T from the Department of Health and Human Services to Healthy Maine;
- 15 3. Transfer responsibility for administering any other state or federal health care
16 program to Healthy Maine;
- 17 4. Obtain all waivers, exemptions and agreements from State Government and the
18 Federal Government that are necessary to transfer health care funding from the Federal
19 Government and from any state departments and agencies to Healthy Maine;
- 20 5. Transfer to Healthy Maine all state and federal funds associated with programs for
21 which Healthy Maine will assume responsibility;
- 22 6. Enable Healthy Maine to receive the appropriate federal fund contribution in lieu
23 of the federal premium tax credits, cost-sharing subsidies and small business tax credits
24 provided in the federal Patient Protection and Affordable Care Act or its successor acts;
- 25 7. Repeal or amend, as appropriate, those provisions of the Maine Workers'
26 Compensation Act of 1992 and any other provisions of law that concern the provision of
27 medical care for workers who suffer injuries or illnesses arising out of and in the course
28 of their employment and for the payment of premiums for medical benefits, whether by
29 employers or insurers covered under the laws governing workers' compensation or that
30 otherwise conflict with Title 24-A, chapter 95;
- 31 8. Ensure that the State's expenditures for health care services, including the State's
32 responsibility for providing matching funds for MaineCare and other federally supported
33 health care programs, do not fall below the expenditure levels for health care services in
34 the year preceding the effective date of Part A of this Act;
- 35 9. Determine the process for selecting or electing the members of the board of
36 trustees of Healthy Maine established in Title 24-A, section 7504; and
- 37 10. Effectuate a smooth and efficient transfer of the programs and responsibilities
38 and to enable affected departments and agencies to assist Healthy Maine in the
39 assumption of its duties.

