



# 125th MAINE LEGISLATURE

LD 1333

LR 1371(24)

## An Act To Modify Rating Practices for Individual and Small Group Health Plans and To Encourage Value-based Purchasing of Health Care Services

Fiscal Note for Bill as Engrossed with:

C "A" (H-186)

S "H" (S-96) to C "A" (H-186)

S "I" (S-99) to C "A" (H-186)

Committee: Insurance and Financial Services

### Fiscal Note

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$0	\$75,148	\$302,686
<b>Appropriations/Allocations</b>				
Other Special Revenue Funds	\$86,540	\$104,440	\$110,071	\$116,040
<b>Revenue</b>				
General Fund	\$0	\$0	(\$75,148)	(\$302,686)
Other Special Revenue Funds	\$0	\$0	(\$3,955)	(\$15,931)

#### Fiscal Detail and Notes

Providing an income tax credit in the amount of \$100 per employee up to a total maximum credit of \$2,000 per employer for tax years beginning on or after January 1, 2014 to employers of 20 or fewer employees for wellness programs such as smoking cessation programs, exercise facilities and incentives to exercise regularly will reduce General Fund revenue and reduce revenue sharing starting in fiscal year 2013-14.

Provides an Other Special Revenue Funds allocation of \$86,540 in 2011-12 and \$104,440 in 2012-13 for a part-time Actuary position and a part-time Actuary Assistant position and related costs for the Bureau of Insurance to analyze an expected increase in insurance rate filings as a result of changes that will affect health care premiums. The bureau believes it can fund these positions within existing budgetary resources but should this not be the case the bureau has assessment authority under existing law to support the costs of the bureau.

The Maine Guaranteed Access Reinsurance Association is established as a nonprofit legal entity and would therefore have no direct fiscal impact on state agencies or programs. Also assumes any Association assessment on member insurers would have no direct fiscal impact on state agencies or programs.

Assumes a number of provisions in the bill could have a fiscal impact on the Dirigo Health program. The net fiscal impact of these provisions on the Dirigo Health program can not be determined at this time.

Assumes eliminating the Governor's Office of Health Policy and Finance will not have a fiscal impact on the Office of the Governor. That office no longer exists and the positions have already been assigned to other duties.