Joint Study Order, To Establish the Task Force on Health Care Coverage for All of Maine

ORDERED, the House concurring, that, notwithstanding Joint Rule 353, the Task Force on Health Care Coverage for All of Maine, referred to in this order as "the task force," is established as follows.

1. Purpose. It is the intent of the Legislature to ensure that all residents of the State have access to and coverage for affordable, quality health care. It is the intent of the Legislature to study the design and implementation of options for a health care plan that provides coverage for all residents of the State; and be it further

2. Appointments; composition. The task force consists of members appointed as follows:

A. Four members of the Senate, appointed by the President of the Senate, including 2 members of the party holding the largest number of seats in the Senate and 2 members of the party holding the 2nd largest number of seats in the Senate, of whom at least one member is a member of the Joint Standing Committee on Insurance and Financial Services and at least one member is a member of the Joint Standing Committee on Health and Human Services;

B. Four members of the House of Representatives, appointed by the Speaker of the House of Representatives, including 2 members of the party holding the largest number of seats in the House of Representatives and 2 members of the party holding the 2nd largest number of seats in the House of Representatives, of whom at least 3 members are members of the Joint Standing Committee on Insurance and Financial Services or the Joint Standing Committee on Health and Human Services;

C. One member representing the interests of hospitals, appointed by the President of the Senate;

D. One member representing the interests of health care providers, appointed by the Speaker of the House of Representatives;

E. Two members representing the interests of health insurance carriers, one appointed by the President of the Senate and one appointed by the Speaker of the House of Representatives;

F. Two members representing the interests of consumers, one appointed by the President of the Senate and one appointed by the Speaker of the House of Representatives;

G. One member representing the interests of employers with fewer than 50 employees, appointed by the Speaker of the House of Representatives; and

H. One member representing the interests of the employers with 50 or more employees, appointed by the President of the Senate.

The President of the Senate and the Speaker of the House of Representatives shall invite to participate as members of the task force the Commissioner of Health and Human Services or the commissioner's designee and the Superintendent of Insurance or the superintendent's designee.

3. Chairs. The first-named Senator is the Senate chair of the task force, and the first-named member of the House of Representatives is the House chair of the task force. Notwithstanding Joint Rule 353, the chairs may appoint, as nonvoting members, individuals with expertise in health care policy, health care financing or health care delivery. Any additional members appointed pursuant to this section are not entitled to compensation or reimbursement under section 6.

4. Appointments; convening. All appointments must be made no later than 15 days following passage of this order. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been made. When the appointment of all members has been completed, the chairs of the task force shall call and convene the first meeting of the task force. If 15 days or more after the passage of this order 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.

5. Duties; design options. The task force shall propose at least 3 design options, including implementation plans, for creating a system of health care that ensures all residents of the State have access to and coverage for affordable, quality health care. The design options must meet the principles and goals outlined in this order. The proposals designed under this order must contain the analysis and recommendations as provided for in this section.

A. The proposal must include the following design options:

(1) A design for a government-administered and publicly financed universal payer health benefits system that is decoupled from employment, that prohibits insurance coverage for the health services provided by the system and that allows for private insurance coverage of only supplemental health services;

(2) A design for a universal health benefits system with integrated delivery of health care and integrated payment systems for all individuals that is centrally administered by State Government or an entity under contract with State Government; and

(3) A design for a public health benefits option administered by State Government or an entity under contract with State Government that allows individuals to choose between the public option and private insurance coverage and allows for fair and robust competition among public and private plans.

Additional options may be designed by the task force, taking into consideration the parameters described in this section.

Each design option must include sufficient detail to allow the task force to report back to the Legislature to enable the Legislature to consider the adoption of one design and to determine an implementation plan for that design during the First Regular Session of the 129th Legislature, including the submission of any necessary waivers pursuant to federal law.

B. In creating the design options under paragraph A, the task force shall review and consider the following fundamental elements:

(1) The findings and reports from previous studies of health care reform in the State, including the December 2002 document titled "Feasibility of a Single-Payer Health Care Model for the State of Maine" produced by Mathematica Policy Research, Inc., and studies and reports provided to the Legislature;

(2) The State's current health care reform efforts;

(3) The health care reform efforts in other states, including any efforts in other states to develop state innovation waivers for universal health coverage plans as an alternative to the federal Patient Protection and Affordable Care Act;

(4) The federal Patient Protection and Affordable Care Act or any other successor federal legislation; the federal Employee Retirement Income Security Act of 1974, as amended; and the Medicare program, the Medicaid program and the State Children's Health Insurance Program under Titles XVIII, XIX and XXI, respectively, of the federal Social Security Act; and

(5) The health care systems adopted in other countries.

C. Each design option under paragraph A must maximize federal funds to support the system and must be composed of the following components:

(1) A payment system for health services that includes one or more packages of health services providing for the integration of physical and mental health services; budgets, payment methods and a process for determining payment amounts; and mechanisms for cost reduction and cost containment;

(2) Coordinated regional delivery systems;

(3) Health system planning and regulation and public health;

(4) Financing and estimated costs, including federal financing. Each design option must provide:

(a) An estimate of the total costs of the design option, including any additional costs for providing access to and coverage for health services to the uninsured and underinsured, any estimated costs necessary to build a new system and any estimated savings from implementing a single system;

(b) Financing proposals for sustainable revenue, including by maximization of federal revenues or by reductions from existing health care programs, services, state agencies or other sources necessary for funding the cost of the new system;

(c) A proposal to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services to waive provisions of Titles XVIII, XIX and XXI of the federal Social Security Act, if necessary, to align the federal programs with the proposals contained within the design option in order to maximize federal funds or to promote the simplification of administration, cost containment or promotion of health care reform initiatives; and

(d) A proposal to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services to waive provisions of the federal Patient Protection and Affordable Care Act, if necessary, to implement the proposals contained within the design option in order to maximize federal funds;

(5) A method to address compliance of the proposed design option with federal law. Unless specifically authorized by federal law, the proposed design option must provide coverage supplemental to coverage available under the Medicare program of the federal Social Security Act, Title XVIII and the federal TRICARE program, 10 United States Code, Chapter 55;

(6) A benefit package or packages of health services that meet the requirements of state and federal law and provide for the integration of physical and mental health care, including access to and coverage for primary care, preventive care and wellness services; specialty care; chronic care and chronic disease management; acute episodic care; palliative and end-of-life care; hospital services; prescription drugs and durable medical equipment; maternity, newborn and pediatric care; laboratory services; mental health and substance use disorder services; and dental, vision and health care;

(7) A method for administering payment for health services, which may include administration by a government agency, under an open bidding process soliciting bids from insurance carriers or 3rd-party administrators, through a private nonprofit insurer or 3rd-party administrator, through private insurers or from a combination of methods;

(8) Enrollment processes;

(9) Integration of pharmacy best practices and cost control programs and other mechanisms to promote evidence-based prescribing, clinical efficacy and cost containment, such as a single statewide preferred drug list, prescriber education and utilization reviews;

(10) Appeals processes for decisions made by entities or agencies administering coverage for health services;

(11) Integration of the workers' compensation system;

(12) A recommendation for budgets and payment methods and a process for determining payment amounts. Payment methods for mental health services must be consistent with mental health parity. The design option must consider:

(a) Recommending a global health care budget when it is appropriate to ensure cost containment by a health care facility, a health care provider, a group of health care professionals or any combination of these entities. Any recommendation must include a process for developing a global health care budget, including circumstances under which an entity may seek an amendment of its budget;

(b) Payment methods to be used for each health care sector that are aligned with the goals of this section and provide for cost containment, provision of high-quality, evidence-based health services in a coordinated setting, patient self-management and healthy lifestyles; and

(c) What process or processes are appropriate for determining payment amounts with the intent to ensure reasonable payments to health care professionals and providers and to eliminate the shift of costs between the payers of health services by ensuring that the amount paid to health care professionals and providers is sufficient. Payment amounts must be sufficient to provide reasonable access to health services, provide uniform payments to health care professionals and assist in creating financial stability for health care professionals. Payment amounts for mental health services must be consistent with mental health parity;

(13) Mechanisms for cost reduction and cost containment and for oversight to ensure accountability and transparency of all financial transactions;

(14) A regional health system that ensures that the delivery of health services to the residents of the State is coordinated in order to improve health outcomes, improve the efficiency of the health system and improve patients' experiences of health services; and

(15) An overall approach to funding that is broadly based to ensure financial stability.

D. The proposal must include a method to address compliance of the proposed design options under paragraph A with federal law, if necessary, including the federal Patient Protection and Affordable Care Act or any other successor federal legislation; the federal Employee Retirement Income Security Act of 1974, as amended; and Titles XVIII, XIX and XXI of the federal Social Security Act.

E. The proposal must include an analysis of:

(1) The impact of each design option on the State's current private and public insurance system;

(2) The expected net fiscal impact of each design option;

(3) The impact of each design option on the State's economy;

(4) The benefits and drawbacks of alternative timing for the implementation of each design option, including the sequence and rationale for the phasing in of the major components; and

(5) The benefits and drawbacks of each design option and of not changing the current system.

6. Compensation. The legislative members of the task force are entitled to receive the legislative per diem, as defined in the Maine Revised Statutes, Title 3, section 2, and reimbursement for travel and other necessary expenses related to their attendance at authorized meetings of the task force. Public members not otherwise compensated by their employers or other entities that they represent are entitled to receive reimbursement of necessary expenses and, upon a demonstration of financial hardship, a per diem equal to the legislative per diem for their attendance at authorized meetings of the task force.

7. Quorum. A quorum is a majority of the voting members of the task force, including those members invited to participate who have accepted the invitation to participate.

8. Staffing. The Legislative Council shall provide staff support for the task force. To the extent needed when the Legislature is in session, the Legislative Council may contract for such staff support if sufficient funding is available.

9. Consultants; additional staff assistance. The task force may solicit the services of one or more outside consultants to assist the task force to the extent resources are available. Upon request, the Department of Health and Human Services, the Department of Professional and Financial Regulation, Bureau of Insurance and the University of Maine System shall provide any additional staffing assistance to the task force to ensure the task force and its consultant or consultants have the information necessary to create the design options required by this order.

10. Reports. The task force may submit an initial report, including suggested legislation, prior to January 1, 2018. No later than November 1, 2018, the task force shall submit a final report that includes

its findings and recommendations, including suggested legislation, for introduction to the First Regular Session of the 129th Legislature.

11. Additional funding; sources. The task force may apply for and receive funds, grants or contracts from public and private sources to support its activities. No General Fund appropriations may be used to support its activities.