An Act to Provide Economic Justice to Historically Disadvantaged Older Citizens by Amending the Laws Governing the Medicare Savings Program

Reference to the Committee on Health and Human Services suggested and ordered printed.

Presented by Representative FAY of Raymond.
Be it enacted by the People of the State of Maine as follows:

Sec. 1. 22 MRSA §3174-KKK is enacted to read:

§3174-KKK. Medicare savings program

The department shall administer the Medicare savings program as described in 42 United States Code, Section 1396a(a)(10)(E) in accordance with this section.

1. Asset test. The department may not apply an asset test in determining eligibility for the program.

2. Income eligibility. The department shall establish income disregards for eligibility for the program using a method that recognizes the necessary adequate income for meeting basic needs in this State.

3. Rules. The department shall adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 2. Income eligibility for Medicare savings program; rules. The Department of Health and Human Services shall amend its rule Chapter 332: MaineCare Eligibility Manual to implement income eligibility requirements that use the Maine data identified for singles and couples in the Elder Economic Security Standard Index developed by the Gerontology Institute at the University of Massachusetts Boston and linking it to the nearest federal poverty level that is equivalent or above. The department shall use the filters identified by the index as "homeowner with a mortgage" and "poor health" and the equivalent federal poverty income level to establish the upper income levels for qualifying individuals. The department shall decrease the maximum income level for qualifying individuals by 15% to determine the upper income level for qualified Medicare beneficiaries. The department shall amend the rule to provide that if the index is no longer annually updated by the Gerontology Institute at the University of Massachusetts Boston, the department must apply an annual cost-of-living adjustment based on the Consumer Price Index. The department shall adopt rules pursuant to this section no later than January 1, 2024. Rules adopted pursuant to this section are routine technical rules as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A.

Sec. 3. State plan amendment. The Department of Health and Human Services shall prepare and submit any necessary Medicaid state plan amendments to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services for approval for the removal of the asset test and income eligibility guidelines required by this Act.

SUMMARY

This bill makes 3 changes to the Medicare savings program.

1. It removes the asset test.

2. It changes the income eligibility methodology by setting the federal poverty level at income levels established using the Elder Economic Security Standard Index developed by the Gerontology Institute at the University of Massachusetts Boston. It sets the upper limit for qualifying individuals at a federal poverty level that is equivalent to or above the
income level established by the index using the filters "homeowner with a mortgage" and "poor health." The upper limit for the qualified Medicare beneficiaries is 15% below that level.

3. It eliminates the specified low-income Medicare beneficiary as a category.

The Department of Health and Human Services must amend its rules to implement the new income levels no later than January 1, 2024 and submit any necessary state plans to the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.