

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

Amend the bill in section 4 in §6917 by striking out all of subsection 1 (page 1, lines 19 to 37 in L.D.) and inserting the following:

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 as specified in paragraph A 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 following provisions govern access payments.

A. The amount of the access payment is established as follows:

(1) From September 1, 2009 to August 31, 2010, the access payment is 2.14%;

(2) From September 1, 2010 to August 31, 2011, the access payment is 1.605%;

(3) From September 1, 2011 to August 31, 2012, the access payment is 1.07%;

(4) From September 1, 2012 to August 31, 2013, the access payment is 0.535%; and

(5) Beginning September 1, 2013, a health insurance carrier, 3rd-party administrator and employee benefit excess insurance carrier is not required to pay an access payment.

A health insurance carrier or employee benefit excess insurance carrier may not be required to pay an access payment on policies or contracts insuring federal employees.

B. Access payments apply to claims paid beginning on or after September 1, 2009.

C. Access payments must be made monthly to Dirigo Health, are due 30 days after the end of each month and must accrue interest at 12% per annum on or after the due date, except that access payments for 3rd-party administrators for groups of 500 or fewer members may be made annually not less than 60 days after the close of the plan year.

D. Access payments received by Dirigo Health must be pooled with other revenues of the agency in the Dirigo Health Enterprise Fund established in section 6915.'

Amend the bill by striking out all of section 6 and inserting the following:

‘Sec. 6. Changes to Dirigo Health. The Board of Trustees of Dirigo Health, or "the board," shall:

1. Develop products, procedures. Develop more affordable products and procedures that can reach uninsured and underinsured residents of the State to reduce uncompensated care;

2. Maximize federal initiatives. Seek to secure federal funding to support the Dirigo Health Program and the Maine Individual Reinsurance Association established in the Maine Revised Statutes, Title 24-A, chapter 54 and use subsidies to maximize federal initiatives, including Medicaid and any national health reform;

3. Asset tests. Establish an asset test for determining eligibility;

4. Voucher program. Consider offering a voucher-based program to provide health insurance benefits; and

5. Redesign. Redesign the DirigoChoice product or products, including adding a requirement that requires any new enrollees to be uninsured before enrolling in DirigoChoice.

The board shall report to the Joint Standing Committee on Insurance and Financial Services regarding changes that will be made to the Dirigo Health Program consistent with this section by January 1, 2010.’

Amend the bill by inserting after section 7 the following:

‘Sec. 8. Legislative commitment to funding. Notwithstanding the reduction in the amount of the access payment pursuant to the Maine Revised Statutes, Title 24-A, section 6917, subsection 1, paragraph A beginning September 1, 2010, it is the intent of the Legislature that funding for Dirigo Health be provided through the General Fund as necessary to, at a minimum, maintain enrollment in Dirigo Health at the same level as enrollment on the effective date of this Act.

Sec. 9. Appropriations and allocations. The following appropriations and allocations are made.

DIRIGO HEALTH

Dirigo Health Fund 0988

Initiative: Adjusts funding to reflect the impact of replacing the savings offset payment with a new access payment to be paid by health insurance carriers, 3rd-party administrators and employee benefit excess insurance carriers of 2.14% on paid claims beginning September 1, 2009 and decreasing by 25% each year thereafter.

GENERAL FUND	2009-10	2010-11
All Other	\$0	\$8,370,833
GENERAL FUND TOTAL	\$0	\$8,370,833

DIRIGO HEALTH FUND	2009-10	2010-11
All Other	\$0	(\$8,370,833)
DIRIGO HEALTH FUND TOTAL	\$0	(\$8,370,833)

Sec. 10. Effective date. This Act takes effect October 1, 2009.’

SUMMARY

This amendment is the minority report of the committee. After the first year the access payment is implemented, it is reduced by 25% the 2nd year, 50% the 3rd year, 75% the 4th year and then eliminated. In addition to the duties included in the bill, the amendment directs the Board of Trustees of Dirigo Health to establish an asset test for eligibility, to require any new enrollees after the redesign of the DirigoChoice product to be uninsured before enrolling and to seek adequate federal funding to support the Dirigo Health Program and the Maine Individual Reinsurance Association.

The amendment expresses the Legislature’s intent that the funding provided to Dirigo Health pursuant to the Maine Revised Statutes, Title 24-A, section 6917 be supplemented by the General Fund to maintain enrollment at the same level as on the effective date of the bill. The amendment also establishes an effective date of October 1, 2009. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED
(See attached)