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STATE OF MAINE
ONE HUNDRED AND THIRTIETH LEGISLATURE
COMMITTEE ON HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

To: Catherine E. Breen, Senate Chair
Teresa S. Pierce, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

From: Heather B. Sanborn, Senate Chair ^{HSB}
Denise A. Tepler, House Chair ^{DAT}
Joint Standing Committee on Health Coverage, Insurance and Financial Services

Date: March 14, 2022

Subject: Health Coverage, Insurance and Financial Services Committee Recommendations on the Governor's Supplemental Budget Bill (LD 1995)

We are writing to provide the recommendations of the Joint Standing Committee on Health Coverage, Insurance and Financial Services on the items under the committee's jurisdiction proposed in the Governor's Supplemental Budget Bill (LD 1995). These items were considered in a joint public hearing on March 2, 2022. At separate work sessions on March 8 and 10, the committee also reviewed and discussed these initiatives. We make the following recommendations.

Department of Administrative and Financial Services, Accident - Sickness - Health Insurance

(p. A-1): The committee unanimously supports (13-0) the 5 initiatives as proposed to improve staffing resources and provide funding for approved reclassifications of positions. See Ref. ## 32 to 35

Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection (p. A-145):

The committee unanimously supports (13-0) the initiative to provide headcount for one Principal Consumer Credit Examiner position and to adjust funding between programs to correct an error in Public Law 2021, chapter 357. The committee believes it is very important that the Bureau have adequate staffing resources for the protection of student loan borrowers. See Ref. #946.

Department of Professional and Financial Regulation, Board of Dental Practice (p. A-145):

The committee unanimously supports (13-0) the initiative to provide funding for the approved reorganization of one Consumer Assistant & Hearing Coordinator position to a Health Services Consultant position and related STA-CAP charges. See Ref. #952.

Language in Part Q (p. 25): The committee unanimously supports (13-0) making the statutory change recommended in Part Q. Part Q adds the Director, Office of Affordable Healthcare to the list of positions with salaries set by the Governor. When the Office of Affordable Healthcare was established in law and

the Director position was created, the law identified it as an appointed position of the Governor but did not include it as a position with salary set by the Governor. The committee agrees with the language in Part Q that proposes to set the salary for the Director position within salary Grade 89.

We have attached the completed budget worksheet provided by the Office of Fiscal and Program Review reflecting the committee's vote on each initiative and Part Q.

Additional recommendation to include LD 1390: The committee also recommends (13-0) that the substantive provisions of LD 1390, An Act To Maximize Health Care Coverage for the Uninsured through Easy Enrollment in the MaineCare Program or in a Qualified Health Plan in the Marketplace be included. LD 1390, as amended by Committee Amendment "A", is tabled on the Special Appropriations and was carried over from the First Regular Session. LD 1390 continues to be a priority and we ask that it be incorporated as an additional amendment to the supplemental budget. Given the passage of time, the language in the bill must be changed to require the check-off box on the income tax form for tax years beginning on or after January 1, 2023 and to change the reporting date for the first annual report to November 15, 2024. We have attached a draft amendment making these changes to the engrossed version of LD 1390.

Thank you for your consideration of our comments. Please contact us or our legislative analyst, Colleen McCarthy Reid, if you have questions or need additional information

Enc. HCIFS Report-back Worksheets, Draft Amendment to LD 1390
cc: Members, Joint Standing Committee on Health Coverage, Insurance and Financial Services

Sec. A-1. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Accident - Sickness - Health Insurance 0455

Initiative: Establishes one Public Service Manager II position to provide expertise related to both state and federal insurance laws and provides funding for related All Other costs.

Ref. #: 31 Committee Vote: 13-0 IN AFA Vote: _____

ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND	2020-21	2021-22	2022-23
POSITIONS - LEGISLATIVE COUNT	0.000	0.000	1.000
Personal Services	\$0	\$0	\$121,746
All Other	\$0	\$0	\$8,333
ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND TOTAL	\$0	\$0	\$130,079

Justification:

This initiative establishes one Public Service Manager II position with expertise in both state and federal insurance laws as well as day to day operations and guidance on benefit administration in accordance with plan design and law.

Accident - Sickness - Health Insurance 0455

Initiative: Reorganizes one part-time Accountant I position to a full-time Public Service Coordinator I position and transfers the position from the General Fund to the Accident, Sickness and Health Insurance, Internal Service Fund within the same program.

Ref. #: 32 Committee Vote: 13-0 IN AFA Vote: _____

GENERAL FUND	2020-21	2021-22	2022-23
POSITIONS - LEGISLATIVE COUNT	0.000	(0.500)	(0.500)
Personal Services	\$0	(\$32,600)	(\$34,006)
GENERAL FUND TOTAL	\$0	(\$32,600)	(\$34,006)

Ref. #: 33 Committee Vote: 13-0 IN AFA Vote: _____

ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND	2020-21	2021-22	2022-23
POSITIONS - LEGISLATIVE COUNT	0.000	1.000	1.000
Personal Services	\$0	\$83,936	\$88,181
ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND TOTAL	\$0	\$83,936	\$88,181

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

DEPARTMENT TOTALS	2020-21	2021-22	2022-23
GENERAL FUND	\$0	(\$32,600)	(\$34,006)
ACCIDENT, SICKNESS AND HEALTH INSURANCE INTERNAL SERVICE FUND	\$0	\$91,009	\$230,481
FIREFIGHTERS AND LAW ENFORCEMENT OFFICERS HEALTH INSURANCE PROGRAM FUND	\$0	\$0	\$0
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$58,409	\$196,475

Sec. A-31. Appropriations and allocations. The following appropriations and allocations are made.

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF

Bureau of Consumer Credit Protection 0091

Initiative: Provides headcount for one Principal Consumer Credit Examiner position and adjusts funding between programs to correct an error in Public Law 2021, chapter 357.

Ref. #: 946 Committee Vote: 13-0 IN AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2020-21	2021-22	2022-23
POSITIONS - LEGISLATIVE COUNT	0.000	1.000	1.000
Personal Services	\$0	\$78,377	\$109,710
OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$78,377</u>	<u>\$109,710</u>

Justification:

Public Law 2021, chapter 357 intended to establish this position on a permanent basis, but did not include headcount. This change package includes the headcount and corrects the allocation for Personal Services which was mistakenly identified as Licensing and Enforcement 0352 instead of the Bureau of Consumer Credit Protection 0091.

Dental Practice - Board of 0384

Initiative: Provides funding for the approved reorganization of one Consumer Assistant & Hearing Coordinator position to a Health Services Consultant position and related STA-CAP charges.

Ref. #: 952 Committee Vote: 13-0 IN AFA Vote: _____

OTHER SPECIAL REVENUE FUNDS	2020-21	2021-22	2022-23
Personal Services	\$0	\$5,307	\$11,035
All Other	\$0	\$167	\$347
OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$5,474</u>	<u>\$11,382</u>

Justification:

The Bureau of Human Resources approved a reorganization of one Consumer Assistant & Hearing Coordinator position to a Health Services Consultant position on Nov 12, 2021.

PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF

DEPARTMENT TOTALS	2020-21	2021-22	2022-23
OTHER SPECIAL REVENUE FUNDS	\$0	\$83,851	\$121,092
DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$83,851</u>	<u>\$121,092</u>

PART Q

Sec. Q-1. 2 MRSA §6, sub-§3 is amended to read:

3. Range 89. The salaries of the following state officials and employees are within salary range 89:

Director, Bureau of General Services;
Director, Bureau of Alcoholic Beverages and Lottery Operations;
State Budget Officer;
State Controller;
Director, Bureau of Forestry;
Director, Governor's Office of Policy Innovation and Management the Future;
Director, Energy Resources Office;
Director of Human Resources;
Director, Bureau of Parks and Lands;
Director of the Governor's Office of Communications;
Director, Bureau of Agriculture, Food and Rural Resources;
Director, Bureau of Resource Information and Land Use Planning; ~~and~~
Director, Office of Marijuana Policy; ~~and~~
Director, Office of Affordable Healthcare.

PART Q SUMMARY

This Part adds the Director, Office of Affordable Healthcare to the list of positions with salaries set by the Governor. The Office of Affordable Healthcare was established in Public Law 2021, chapter 459, An Act to Lower Health Care Costs through the Establishment of the Office of Affordable Health Care. Positions and funding for the Office were created in Public Law 2021, chapter 484, An Act to Clarify Funding for the Office of Affordable Health Care. The enacted legislation created the Director position and identified it as appointed but did not include it as a position with salary set by the Governor.

**HCIFS Recommendation to AFA for Inclusion in Supplemental Budget, LD 1995
Draft Proposed Amendment to LD 1390 (Engrossed Bill, LR 1242 (03))**

Amend the engrossed bill as follows:

***SEE ATTACHED MARK-UP OF LR 1242, ITEM 3 (ENGROSSED ITEM)
Changes in Section 2 and Section 4 ON PAGE 3***

Summary

This amendment changes the implementation date for the State Tax Assessor to provide an easy enrollment health insurance check-off box on the income tax form to tax years beginning on or after January 1, 2023. The amendment also changes the starting date for annual reporting on the program to November 15, 2024.

MARK-UP OF LR 1242(03)
AS PROPOSED BY HLIFS

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-ONE

—
H.P. 1024 - L.D. 1390

An Act To Maximize Health Care Coverage for the Uninsured through Easy Enrollment in the MaineCare Program or in a Qualified Health Plan in the Marketplace

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

Sec. 1. 22 MRSA §5412 is enacted to read:

§5412. Easy enrollment program

The easy enrollment program is established under this chapter to identify residents of this State who are uninsured but qualify for benefits under the MaineCare program or a qualified health plan in the marketplace.

1. Tax checkoff. A person filing a tax return in this State pursuant to Title 36, chapter 803 who has marked the relevant check-off boxes on the state income tax form as described in Title 36, section 5293 is identified as a person who may be provisionally assessed as eligible for benefits under the MaineCare program or to enroll in a qualified health plan in the marketplace. The department, in conjunction with the superintendent and the Department of Administrative and Financial Services, Bureau of Revenue Services, shall determine by rule the information necessary to be shared with the marketplace to provisionally assess eligibility and the schedule regarding the frequency of transferring the information.

2. Eligibility determination. The marketplace shall determine whether the person filing the tax return under subsection 1 has an address in the State and whether the persons in the household indicated as uninsured are already enrolled in the MaineCare program or a qualified health plan in the marketplace. The marketplace shall mail a notice to households with an address in the State and with persons in the household who are uninsured. The notice must notify the person filing the tax return that the person or other uninsured members of the household may be eligible for health care coverage and provide information about the special enrollment period available on the marketplace pursuant to subsection 3 and that MaineCare enrollment is available at any time. If the person filing the tax return has included an e-mail address or other contact information, the marketplace shall contact the person using the preferred method of communication indicated on the tax return.

3. Special enrollment period; assistance; coverage begins. A person filing a tax return under subsection 1 who is provisionally assessed as eligible to enroll in a qualified health plan in the marketplace has a special enrollment period that begins on the date of the tax filing and ends 35 days from the date of the notice mailed by the marketplace to the person pursuant to subsection 2. Once a person begins the application to enroll in a qualified health plan in the marketplace, the marketplace shall provide assistance through follow-up e-mails or another preferred method of communication until the person is successfully enrolled or the marketplace determines that the person does not wish to enroll. Coverage in the marketplace is effective on the first day of the month after the date a plan is selected by the person.

4. Medicaid coverage. If the marketplace determines that any member of the household is eligible for benefits under the MaineCare program under this section, the marketplace shall notify the department and the person who filed the tax return of the potential eligibility. The department shall contact the person who filed the tax return using the person's preferred method of communication and provide assistance with the MaineCare application unless the marketplace determines that the person does not wish to enroll.

5. Outreach efforts. The marketplace and department, after appropriate consultation with the superintendent, shall jointly develop educational materials and programming to communicate the purpose of the income tax checkoff under Title 36, section 5293 and the benefits of enrolling in the MaineCare program or a qualified health plan in the marketplace to the public. The materials and programming must include materials developed for different target groups in the public, including, but not limited to, tax preparers, consumer assistance organizations, community groups and underserved groups. The materials must be made available in English and in languages appropriate for communities in the State whose primary languages are not English.

Sec. 2. 22 MRSA §5413 is enacted to read:

§5413. Easy enrollment advisory group; data collection

1. Advisory group. An advisory group is established to advise the department on state income tax changes including the format of check-off boxes on income tax forms pursuant to Title 36, section 5293, effectiveness of the easy enrollment program under section 5412, feasibility of automatic enrollment in health care plans, improvements to outreach materials, issues related to necessary information required for establishing eligibility while maintaining confidentiality and proposed changes to improve the program. The commissioner and the superintendent or the commissioner's or superintendent's designees are cochairs and shall convene the advisory group. The chairs shall jointly appoint members to the advisory group, and members must include the stakeholders described in section 5404, subsection 2, paragraph B and representatives of the Department of Administrative and Financial Services, Bureau of Revenue Services and professional tax preparers. The advisory group shall meet at least 3 times a year and as often as necessary to carry out its advisory duties.

2. Data collection. The department shall provide an annual report on the easy enrollment program under section 5412 to the joint standing committee of the Legislature having jurisdiction over health insurance matters and the joint standing committee of the Legislature having jurisdiction over MaineCare matters. The report must include the

number of persons who marked the check-off boxes on tax returns as described in section 5412, subsection 1, the number provisionally assessed as eligible by the marketplace for benefits under the MaineCare program or a qualified health plan in the marketplace, the number who enrolled in the MaineCare program, the number who enrolled in qualified health plans in the marketplace, how many enrolled in a qualified health plan in the marketplace who were eligible for financial assistance and demographic data on enrollment. The report must be submitted by November 15th of each year beginning in ~~2023~~ and contain data based on the previous calendar year's tax return data.

2024

Sec. 3. 36 MRSA §191, sub-§2, ¶MMM is enacted to read:

MMM. The disclosure of information to the Maine Health Insurance Marketplace to administer the easy enrollment health insurance program pursuant to Title 22, section 5412 and the health insurance check-off box pursuant to section 5293.

Sec. 4. 36 MRSA §5293 is enacted to read:

§5293. Easy enrollment health insurance program; voluntary checkoff

2023

1. Health insurance check-off box. For tax years beginning on or after January 1, ~~2022~~, the assessor shall provide on the income tax form a space for an easy enrollment health insurance check-off box that includes the following:

A. A check box indicating that the taxpayer filing the tax return does not have health care coverage;

B. A check box indicating that the spouse of the taxpayer filing the tax return does not have health care coverage;

C. A check box indicating whether any dependents of the taxpayer do not have health care coverage;

D. A check box authorizing the bureau to share information from the income tax return with the marketplace established in Title 22, chapter 1479; and

E. An e-mail address, telephone number or other preferred method of communication, if available, for additional contact by the marketplace under Title 22, chapter 1479.

2. Information sharing. The assessor shall forward to the marketplace established in Title 22, chapter 1479 the information of a taxpayer who marked any check box in paragraph A, B or C and marked the check box in paragraph D. The information transferred to the marketplace, and the frequency of that transfer, is established by rule according to Title 22, section 5412, subsection 1.

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

Sec. 5. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Revenue Services, Bureau of 0002

Initiative: Provides funding for costs to capture, collect and report the data related to the health insurance individual income tax check-off box.

GENERAL FUND	2021-22	2022-23
All Other	\$0	\$3,855
GENERAL FUND TOTAL	\$0	\$3,855

Revenue Services, Bureau of 0002

Initiative: Provides funding for one-time computer programming costs to add the health insurance check-off boxes to the individual income tax return.

GENERAL FUND	2021-22	2022-23
All Other	\$0	\$55,000
GENERAL FUND TOTAL	\$0	\$55,000

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF DEPARTMENT TOTALS

	2021-22	2022-23
GENERAL FUND	\$0	\$58,855
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$58,855

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF
Maine Health Insurance Marketplace Trust Fund Z292**

Initiative: Provides funding for postage and supplies to send requested information to persons who check the health insurance check-off box on the individual income tax return.

OTHER SPECIAL REVENUE FUNDS	2021-22	2022-23
All Other	\$0	\$14,156
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$14,156

Maine Health Insurance Marketplace Trust Fund Z292

Initiative: Provides one-time funding for technology changes.

OTHER SPECIAL REVENUE FUNDS	2021-22	2022-23
All Other	\$0	\$258,693
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$258,693

Medical Care - Payments to Providers 0147

Initiative: Provides funding for additional medical claims for new members that enter the MaineCare program through easy enrollment.

GENERAL FUND	2021-22	2022-23
All Other	\$0	\$146,465
GENERAL FUND TOTAL	\$0	\$146,465

FEDERAL EXPENDITURES FUND	2021-22	2022-23
All Other	\$0	\$257,911
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$257,911

HEALTH AND HUMAN SERVICES, DEPARTMENT OF DEPARTMENT TOTALS	2021-22	2022-23
GENERAL FUND	\$0	\$146,465
FEDERAL EXPENDITURES FUND	\$0	\$257,911
OTHER SPECIAL REVENUE FUNDS	\$0	\$272,849
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$677,225

SECTION TOTALS	2021-22	2022-23
GENERAL FUND	\$0	\$205,320
FEDERAL EXPENDITURES FUND	\$0	\$257,911
OTHER SPECIAL REVENUE FUNDS	\$0	\$272,849
SECTION TOTAL - ALL FUNDS	\$0	\$736,080