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Date: (Filing No. S-)

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STATE OF MAINE
SENATE
132ND LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 1491, L.D. 2212, “An Act Making Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027”

Amend the amendment by inserting after Part HHHH the following:

'PART III

Sec. III-1. 22 MRSA §3198 is enacted to read:

§3198. Able-bodied, childless adults; temporary enrollment freeze; permanent enrollment cap

Notwithstanding any provision of law to the contrary, the following provisions apply to Medicaid enrollment levels for enrollees who are classified as able-bodied, childless adults.

1. Temporary enrollment freeze. Contingent on approval of a Section 1115 demonstration waiver under the United States Social Security Act from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services, within 30 days of the effective date of this section, the total number of MaineCare enrollees classified as able-bodied, childless adults that may be enrolled in the MaineCare program must be frozen and the enrollment level may not be increased. New enrollments of able-bodied, childless adults may not be made until the department has certified that the total enrollment in this category has been reduced by 10% from the level of enrollment at the date enrollment is frozen under this subsection.

2. Enrollment reduction. When an enrollee becomes ineligible for MaineCare coverage, that enrollee may not be automatically reenrolled. When an enrollee's eligibility lapses due to income increase, employment or failure to renew enrollment, that enrollee's spot in the program may not be filled by a new enrollee. The department shall prioritize program integrity measures to remove ineligible enrollees.

3. Lifting enrollment freeze; permanent enrollment cap. When the total enrollment of able-bodied, childless adults has declined by 10% from the number of enrollments at the time of the enrollment freeze pursuant to subsection 1, the reduced level of enrollment is

SENATE AMENDMENT

1 established as a new permanent cap on the level of enrollment for able-bodied, childless
2 adults. The enrollment cap established pursuant to this section may not be exceeded unless
3 the Legislature specifically authorizes it.

4 **4. Legislative oversight; quarterly progress reports; additional program integrity**
5 **measures.** Beginning 3 months after the effective date of this section, the department shall
6 submit quarterly reports to the Legislature detailing the department's efforts to reduce the
7 enrollment levels of able-bodied, childless adults under subsection 2. If the Legislature
8 determines that the department has failed to make meaningful progress, the Legislature
9 may impose additional program integrity measures to ensure compliance.

10 **Sec. III-2. MaineCare enrollment freeze; Department of Health and**
11 **Human Services to request waiver.** No later than October 1, 2026, the Department of
12 Health and Human Services shall request federal approval from the United States
13 Department of Health and Human Services, Centers for Medicare and Medicaid Services
14 for a Section 1115 demonstration waiver under the United States Social Security Act that
15 would temporarily freeze MaineCare enrollment for able-bodied, childless adults, reduce
16 enrollment in that category over time and create a permanent enrollment cap at the reduced
17 enrollment level after the freeze is lifted. If the waiver is approved, the department shall
18 adopt rules to implement the enrollment freeze no later than 90 days after approval. Rules
19 adopted pursuant to this section are routine technical rules as defined in the Maine Revised
20 Statutes, Title 5, chapter 375, subchapter 2-A.

21 **Sec. III-3. MaineCare program review.** The Department of Health and Human
22 Services shall engage a 3rd-party independent entity, referred to in this section as "the
23 independent entity," to conduct a review of the MaineCare program for fraud, waste and
24 abuse pursuant to this section.

25 **1. Selection of independent entity.** Within 30 days of the effective date of this Part,
26 the department shall issue a request for proposals to determine, through a competitive
27 bidding process, the independent entity to conduct the review required by this section.

28 **2. Duties of independent entity.** The independent entity chosen shall:

29 A. Review and assess current processes, procedures and capacity in place to identify
30 fraud, waste and abuse, including but not limited to the department's Fraud
31 Investigation and Recovery Unit, the MaineCare program integrity unit, the Medicaid
32 Eligibility Quality Control program and the efficacy of the State's implementation of
33 the payment error rate measurement process;

34 B. Identify best practices in state fraud, waste and abuse prevention, identification and
35 resolution;

36 C. Use any available prior state and federal audits, reviews, investigations, reports,
37 data and information, including but not limited to audit findings, claims data, provider
38 records, program integrity reports, United States Department of Health and Human
39 Services, Centers for Medicare and Medicaid Services' communications and
40 whistleblower complaints, to identify systemic vulnerabilities, patterns of fraud, waste
41 and abuse and gaps in oversight; and

42 D. Make recommendations to strengthen the State's practices for preventing,
43 identifying and addressing fraud, waste and abuse in Medicaid.

1 The joint standing committee is required to report out a bill based on the report to the 133rd
2 Legislature in 2027.

3 **SPONSORED BY:** _____

4 (Senator STEWART, T.)

5 COUNTY: Aroostook