

## Rule-Making Fact Sheet

**AGENCY:** Department of Health and Human Services, Office for Family Independence

**AGENCY CONTACT PERSON:**

Adam Hooper, MaineCare Program Manager  
Department of Health and Human Services  
Office for Family Independence  
109 Capitol Street  
Augusta, ME 04330-6841  
Phone: (207) 624-4178/Fax: (207) 287-3455  
TT Users Call Maine Relay – 711  
[Adam.Hooper@Maine.gov](mailto:Adam.Hooper@Maine.gov)

**CHAPTER NUMBER AND RULE TITLE:**

10-144 C.M.R. Chapter 332; MaineCare Eligibility Manual, Parts 2, 3 and 8

MaineCare Rule #304P - CHIP Coverage Group Change and Medicare Savings Program Change

**TYPE OF RULE** (*check one*):  Routine Technical     Major Substantive

**STATUTORY AUTHORITY:** 22 M.R.S. §§ 42(1) and (8); 3174-G(1), 3174-FFF; and 3174-LLL

**PUBLIC HEARING:** No public hearing is scheduled.

**COMMENT DEADLINE:** Monday, April 8, 2024, at 5:00 p.m. E.T.

Written public comments may be submitted via the link at  
<https://www.maine.gov/dhhs/about/rulemaking>.

**PRINCIPAL REASON(S) OR PURPOSE FOR PROPOSING THIS RULE:** The purpose of the proposed rule would remove the asset test for the Medicare Savings Program (MSP) based on a legislative change to 22 M.R.S. § 3174-LLL made by P.L. 2023, ch. 412.

In addition, the Department submitted and received approval from the Center for Medicaid and CHIP Services for a CHIP State Plan Amendment to establish a Health Services Initiative (HSI) to provide comprehensive coverage during the 12-month postpartum period for individuals whose newborns had been eligible as targeted low-income children under the from-conception-to-end-of-pregnancy (FCEP) option. The benefits provided during this postpartum period are identical to the benefits provided to pregnant individuals enrolled in MaineCare. The Department's recently approved SPA is consistent with Social Security Act § 2105(a)(1)(D)(ii) and 42 C.F.R. § 457.10. The proposed rule changes would increase access to health insurance coverage.

The Department proposes to amend Part 2, Section 1, Cub Care, to "This program provides coverage for children under the age of 19 within certain income limits and different eligibility rules than Medicaid."

Part 3, Section 4.2.1 and Section 4.3 are changed to allow Transitional MaineCare (TM) coverage to begin the month after the individual becomes ineligible for MAGI coverage. In addition, the Department proposes to change the examples in these sections to show that the 12 months of TM coverage begins the month after the MAGI coverage closes due to the report of increased earnings or increased alimony.

The Department proposes to change pregnant woman to pregnant individual in Part 3, Section 2.2(II) and Part 3, Section 4.1.1(IV).

The Department proposes to amend Part 2, Section 13.1(III) to include “Effective December 1, 2023, pregnant individuals who are found eligible for Children’s Health Insurance Program (CHIP), and enrolled in CHIP while pregnant, under Part 3, Section 2.3(III) are continuously eligible for 12 months beyond the date the pregnancy ends.”

Part 3, Section 2.3(III) would be updated to “Effective December 1, 2023, pregnant individuals who are found eligible for the Children’s Health Insurance Program (CHIP), and enrolled in CHIP while pregnant, eligibility from conception to end of pregnancy extends 12 months beyond the month in which the pregnancy ends, regardless of any subsequent changes in household income.” In addition, the Department proposes to change the countable income section to state: “Countable income is equal to or less than 208% FPL.”

Part 8, Section 4 would remove the asset test for all Medicare Savings Plan coverage types effective retroactive to January 1, 2024.

Retroactive rulemaking is permissible under 22 M.R.S. § 42(8) as these updates provide a benefit to recipients and applicants.

**IS MATERIAL INCORPORATED BY REFERENCE IN THE RULE?** The updated Federal Poverty Levels are published at <https://aspe.hhs.gov/poverty-guidelines>. Social Security Act § 2105(a)(1)(D)(ii) and 42 C.F.R. §§ 457.10.

**ANALYSIS AND EXPECTED OPERATION OF THE RULE:** The Department will continue to accept applications and render eligibility through existing processes. The proposed CHIP change is anticipated to ensure access to care for pregnant and postpartum individuals, improve the quality of maternal health care, and address disparities in health outcomes and pregnant and postpartum care.

The proposed removal of the MSP Asset Test and CHIP changes are anticipated to increase access to health insurance coverage.

**BRIEF SUMMARY OF RELEVANT INFORMATION CONSIDERED DURING DEVELOPMENT OF THE RULE:** The Department considered the American Rescue Plan Act of 2021, P.L. 117-2, §§ 9812 and 9822 and a change made by the legislature to 22 M.R.S. § 3174-LLL in P.L. 2023, ch. 412 during the development of this proposed rule.

**ESTIMATED FISCAL IMPACT OF THE RULE:** The Department anticipates this rulemaking will cost approximately \$733,726 in SFY 2024, which includes \$194,969 in state dollars and \$538,757 in federal dollars, and \$4,255,259 in SFY 2025, which includes \$1,133,592 in state dollars and \$3,121,649 in federal dollars. In SFY 2026 and each subsequent year, the anticipated cost of this rulemaking is \$4,827,612, which includes \$1,286,859 in state dollars and \$3,540,753 in federal dollars.

***FOR EXISTING RULES WITH FISCAL IMPACT OF \$1 MILLION OR MORE, ALSO INCLUDE:***

**ECONOMIC IMPACT, WHETHER OR NOT QUANTIFIABLE IN MONETARY TERMS:** The Department anticipates this rulemaking will cost approximately \$733,726 in SFY 2024, which includes \$194,969 in state dollars and \$538,757 in federal dollars, and \$4,255,259 in SFY 2025, which includes \$1,133,592 in state dollars and \$3,121,649 in federal dollars. In SFY 2026 and each subsequent year, the anticipated cost of this rulemaking is \$4,827,612, which includes \$1,286,859 in state dollars and \$3,540,753 in federal dollars.

**INDIVIDUALS, MAJOR INTEREST GROUPS AND TYPES OF BUSINESSES AFFECTED AND HOW THEY WILL BE AFFECTED:** It is anticipated that the proposed rule changes will increase access to health insurance coverage. The proposed rule changes are not anticipated to affect major interest groups and businesses.

**BENEFITS OF THE RULE:** This proposed rulemaking allows for expanded CHIP coverage to include 12 months of postpartum coverage. It also removes the asset test for the Medicare Savings Program. The proposed rule changes increase access to health insurance coverage. It is anticipated that MaineCare enrollment will increase as a result of this rule change.

*Note: If necessary, additional pages may be used.*