

## State of Maine Procurement Justification Form

This form must accompany all contract requests and sole source requisitions (RQS) over \$5,000 submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Division of Procurement Services website (Forms page) for additional instructions.

### PART I: OVERVIEW

Department Office/Division/Program:		Office of the Attorney General	
Department Contract Administrator or Grant Coordinator:		Mark Toulouse	
(If applicable) Department Reference #:			
Amount: (Contract/Amendment/Grant)	\$400,000.00	Advantage CT / RQS #:	CT 26A 20191016*1313
CONTRACT	Proposed Start Date:	Proposed End Date:	
AMENDMENT	Original Start Date:	Effective Date:	
	Previous End Date:	New End Date:	10/31/2023
GRANT	Project Start Date:	Grant Start Date:	
	Project End Date:	Grant End Date:	
Vendor/Provider/Grantee Name, City, State:		Consumers for Affordable Health Care Foundation	
Brief Description of Goods/Services/Grant:		Consumer Support and Advocacy	

### PART II: JUSTIFICATION FOR VENDOR SELECTION

Mark an "X" before the justification(s) that applies to this request. (Check all that apply.)

	A. Competitive Process		G. Grant
X	B. Amendment		H. State Statute/Agency Directed
X	C. Single Source/Unique Vendor		I. Federal Agency Directed
	D. Proprietary/Copyright/Patents		J. Willing and Qualified
	E. Emergency		K. Client Choice
	F. University Cooperative Project		L. Other Authorization

### PART III: SUPPLEMENTAL INFORMATION

Please respond to ALL of the following:

**1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.**

PL 2019 LD 1274 established (and PL 2021 LD 631 extends) the Health Insurance Consumer Assistance Program to provide support for consumers and prospective consumers of health insurance and to customer assistance programs and health insurance ombudsman programs. It is required that the Office of the Attorney General, as the superintendent of the program, contract with a nonprofit, independent health insurance consumer assistance entity, which may not be an insurer, to operate the

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### PART III: SUPPLEMENTAL INFORMATION

consumer assistance program.

**2. Provide a brief justification for the selected vendor to supplement the response in Part II.**

LD 1274 stipulates that a non-profit resource be contracted to provide program services. The Office of the Attorney General (OAG) cannot represent individual citizens. While our consumer division mediation program does attempt to mediate consumer disputes with businesses, voluntary resolution is the most that it can achieve. Other than the OAG consumer division, the closest agency performing similar functions is the Department of Professional and Financial Regulations Bureau of Insurance. Resources from that office have confirmed that options to fulfill all LD 1274 requirements rest with Consumers for Affordable Health Care Foundation (CAHC). In fact, these resources refer some inquiries to CAHC. PL 2021 LD 631 provides/extends funding for this relationship for two more years.

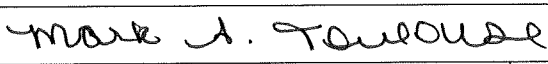

**3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.**

N/A. The annual amount of the program was defined in LD.

**4. Describe the plan for future competition for the goods or services.**

Currently, Consumers for Affordable Health Care Foundation is the only entity performing all the activities required by Health Insurance Consumer Assistance Program.

### PART IV: APPROVALS

<b>Signature of requesting Department's Commissioner (or designee):</b>	<i>By signing below, I signify that I approve of this procurement request.</i>		
			
<b>Printed Name:</b>	Mark A. Toulouse	<b>Date:</b>	09/1/2021
<b>Signature of DAFS Procurement Official:</b>	<small>DocuSigned by:</small> 		
<b>Printed Name:</b>	<small>41C2BA38FAF44CD...</small> Kathy Paquette	<b>Date:</b>	9/9/2021

130th Maine Legislature  
An Act To Provide Funding for Maine's Health Insurance Consumer Assistance Program  
L.D.

**An Act To Provide Funding for Maine's Health Insurance Consumer Assistance Program**

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

**Sec. 1. 24-A MRSA §4326, sub-§5** is enacted to read:

**5. Funding.** The State shall provide necessary funding for the consumer assistance program.

**Sec. 2. Transfers from available fiscal year 2021-22 and fiscal year 2022-23 Department of Professional and Financial Regulation, Bureau of Insurance, Other Special Revenue Funds balances to the Department of the Attorney General.** Notwithstanding any provision of law to the contrary, on October 1, 2021 and on July 1, 2022 the State Controller shall transfer \$200,000 from available balances in the Bureau of Insurance Other Special Revenue Funds account within the Department of Professional and Financial Regulation to the Department of the Attorney General.

**Sec. 3. Appropriations and allocations.** The following appropriations and allocations are made.

**ATTORNEY GENERAL, DEPARTMENT OF THE  
Administration - Attorney General 0310**

Initiative: Provides allocations for the Attorney General to contract with a designated nonprofit and independent health insurance consumer assistance entity to continue to operate the Health Insurance Consumer Assistance Program.

<b>OTHER SPECIAL REVENUE FUNDS</b>	<b>2021-22</b>	<b>2022-23</b>
All Other	\$200,000	\$200,000
<b>OTHER SPECIAL REVENUE FUNDS TOTAL</b>	<u>\$200,000</u>	<u>\$200,000</u>

**SUMMARY**

This bill clarifies that the State is responsible for funding the Health Insurance Consumer Assistance Program. The bill also provides continued funding for the Health Insurance Consumer Assistance Program in fiscal years 2021-22 and 2022-23 through a transfer of available Other Special Revenue Funds balances from the Department of Professional and Financial Regulation to the Department of the Attorney General.

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

## **An Act To Enact the Health Insurance Consumer Assistance Program**

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

**Sec. 1. 24-A MRSA c. 56-A, sub-c. 2-A** is enacted to read:

### **SUBCHAPTER 2-A**

#### **HEALTH INSURANCE CONSUMER ASSISTANCE PROGRAM**

#### **§ 4326. Health Insurance Consumer Assistance Program**

**1. Establishment.** The Health Insurance Consumer Assistance Program, referred to in this section as "the consumer assistance program," is established in and administered by the bureau to provide support for consumers, including prospective consumers, of health insurance, referred to in this section as "consumers," and to customer assistance programs and health insurance ombudsman programs. The superintendent shall contract with a nonprofit, independent health insurance consumer assistance entity, which may not be an insurer, to operate the consumer assistance program.

**2. Consumer assistance program services.** The services provided by the consumer assistance program may include:

A. Assisting consumers with filing complaints and appeals with a group health plan, health insurance carrier or independent review organization and providing information about the internal and external appeal and grievance processes of a group health plan, health insurance carrier or independent review organization;

B. Collecting, tracking and quantifying inquiries regarding health insurance and problems encountered by consumers;

C. Educating consumers on their rights and responsibilities with respect to health insurance coverage;

D. Assisting consumers with obtaining health insurance coverage by providing information, referrals or other assistance;

E. Assisting with obtaining federal health insurance premium tax credits under Section 36B of the United States Internal Revenue Code of 1986, as amended; and

F. Providing information to the public about the services of the consumer assistance program through a comprehensive outreach program and a toll-free telephone number.

**3. Report.** The operator of the consumer assistance program shall report to the superintendent, according to the requirements of the contract under subsection 1, on aggregate data relevant to the services provided by and activities of the consumer assistance program, and annually, by

SP0394, LD 1274, item 1, 129th Maine State Legislature  
An Act To Enact the Health Insurance Consumer Assistance Program

January 15th, the superintendent shall report to the joint standing committee of the Legislature having jurisdiction over health insurance matters on the aggregate data.

**Sec. 2. Appropriations and allocations.** The following appropriations and allocations are made.

**PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF**

**Insurance - Bureau of 0092**

Initiative: Provides ongoing funds to the Bureau of Insurance to contract with a designated nonprofit and independent health insurance consumer assistance entity to operate the Health Insurance Consumer Assistance Program.

GENERAL FUND	2019-20	2020-21
All Other	\$200,000	\$200,000
GENERAL FUND TOTAL	\$200,000	\$200,000

**SUMMARY**

This bill establishes the Health Insurance Consumer Assistance Program in the Department of Professional and Financial Regulation, Bureau of Insurance to provide support for consumers, including prospective consumers, of health insurance and to health insurance customer assistance programs and health insurance ombudsman programs. Some of the services the new program may provide include assisting with filing complaints and appeals regarding decisions made by a group health plan, health insurance carrier or independent review organization and obtaining health insurance premium tax credits on behalf of consumers. The Superintendent of Insurance is required to contract with a nonprofit, independent health insurance consumer assistance entity that is not an insurer to operate the consumer assistance program, and funding is provided for that requirement.