The Dirigo Health Agency was created out of the Dirigo Health Reform Legislation. The Agency is an independent executive agency that was established to arrange for the provision of comprehensive, affordable health care coverage for eligible small employers, and their employees and dependents, the self-employed and individuals on a voluntary basis. The Agency is also responsible for monitoring and improving the quality of health care in the State through the Maine Quality Forum.

There are several programs that the Dirigo Health Agency administers that are designed to expand access to health care coverage. As of February 1, 2011 the Agency is providing access to coverage in all of its programs to approximately 15,000 members and 600 small businesses.

DirigoChoice is the largest of the programs that the Agency administers and is provided through a public/private partnership between the Agency and Harvard Pilgrim Health Care. The DirigoChoice product is an insurance plan that includes a sliding scale subsidy that reduces premiums and out of pocket costs for eligible individuals and families with nominal assets and household incomes under 300% of the federal poverty level.

The DirigoChoice product compliments the mission of public health by providing health care coverage that includes comprehensive wellness and prevention benefits along with services for acute and chronic conditions. The funds that are currently allocated to the Dirigo Health Agency from the fund for a Healthy Maine are used solely to support access to the DirigoChoice product for members with nominal assets and household incomes under 300% of the federal poverty limit.

The proposed budget bill eliminates $8,582,622 in funding from the fund for a Healthy Maine over the biennium. This reduction is approximately 8.8% of the Agency’s subsidy funding. It was anticipated that the funding from the fund for a Healthy Maine in the upcoming biennium would support approximately 1,434 DirigoChoice members under 300% of federal poverty level.

If enacted the Agency will work with its Board of Trustees to determine the best path forward. The options the Board will consider include but are not limited to reducing membership in DirigoChoice and or reducing benefits in order to meet reduced revenue levels.