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DIRIGO HEALTH SUMMARY

- The financial model and pro formas prove the financial viability of DH, regardless of how fast or slow enrollment occurs.
- In Year One, 57,000 more Mainers have coverage, producing \$270 million of reimbursement for Maine's health care providers. DH will require carriers with whom it contracts to pay the same rates to providers that commercial insurers pay.
- Pooling employer contributions allows the state to draw down \$80 million in Year One in federal Medicaid funds.
- The financial model is built on conservative estimates.
 1. We add 35% to the cost of each enrollee to account for sicker people coming in first.
 2. We don't rely on full recovery of bad debt and charity care. Only 30% of those funds are recouped through the 4% assessment and spent.
 3. Estimates of utilization are based on costly cases – the early experience of Medicaid expansion and COBRA. Provider costs used in the model are high, projecting double digit inflation.
- The model generates enough funding each year:
 1. To support the Maine Quality Forum.
 2. To provide carry forward in order to fund the plan at all levels of enrollment.
 3. And may provide funds to encourage small businesses to cover their employees.



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