

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

SMY
R. 019

L.D. 2007

Date: 3/16/20

(Filing No. H-765)

HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1425, L.D. 2007, Bill, "An Act To Enact the Made for Maine Health Coverage Act and Improve Health Choices in Maine"

Amend the bill in Part A in section 1 in §5404 in subsection 2 in paragraph D in the first line (page 2, line 37 in L.D.) by striking out the following: "Legislature" and inserting the following: 'joint standing committee of the Legislature having jurisdiction over health insurance coverage matters'

Amend the bill in Part A in section 1 in §5411 in the first paragraph in the 2nd line (page 4, line 26 in L.D.) by striking out the following: "Legislature" and inserting the following: 'joint standing committee of the Legislature having jurisdiction over health insurance coverage matters'

Amend the bill in Part B in section 2 by inserting after the chapter headnote and before §2791 the following:

§2791. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Individual health plan. "Individual health plan" has the same meaning as in section 2736-C, subsection 1, paragraph C.

2. Small group health plan. "Small group health plan" has the same meaning as in section 2808-B, subsection 1, paragraph G.'

Amend the bill in Part B in section 2 in §2791 by striking out all of subsection 1 (page 5, lines 34 to 40 and page 6, lines 1 and 2 in L.D.) and inserting the following:

1. Pooled market established. Subject to the requirements of subsection 5, all individual and small group health plans offered in this State with effective dates of coverage on or after January 1, 2022 must be offered through a pooled market. A health insurance carrier offering an individual health plan subject to this section shall make the plan available to all eligible small employers within the plan's approved service area, and a health insurance carrier offering a small group health plan subject to this section shall

COMMITTEE AMENDMENT

R. S.

1 make the plan available to all eligible individuals residing within the plan's approved
2 service area. This subsection does not require the Maine Health Insurance Marketplace
3 established in Title 22, chapter 1479 to offer identical choices of health plans to
4 individuals and to small employers under Title 22, chapter 1479.'

5 Amend the bill in Part B in section 2 in §2791 by striking out all of subsection 3
6 (page 6, lines 11 to 16 in L.D.) and inserting the following:

7 **'3. Harmonization of mandated benefit laws.** In addition to the requirements of
8 chapter 56-A, a health plan subject to this section must comply with the applicable
9 mandated benefit provisions in chapter 33 or the corresponding provisions of chapter 35.
10 A health maintenance organization or a nonprofit hospital and medical service
11 organization may offer any health plan approved by the superintendent for sale in the
12 pooled market established pursuant to this section, notwithstanding any provision of
13 chapter 56 or Title 24 to the contrary.'

14 Amend the bill in Part B in section 2 in §2791 by striking out all of subsection 5
15 (page 6, lines 20 to 25 in L.D.) and inserting the following:

16 **'5. Preconditions for pooled market.** This section may not be implemented unless
17 routine technical rules as defined in Title 5, chapter 375, subchapter 2-A are adopted to
18 implement this section and the Federal Government approves a state innovation waiver
19 amendment that extends reinsurance under section 3953 to the pooled market established
20 pursuant to this section based on projections by the superintendent that both average
21 individual premium rates and average small group premium rates would be the same or
22 lower than they would have been absent the provisions of this section. If this section is
23 not implemented, the superintendent shall conduct an analysis of alternative proposals to
24 improve the stability and affordability of the small group market.'

25 Amend the bill in Part B in section 2 in §2792 in subsection 1 in the 4th line (page 6,
26 line 34 in L.D.) by striking out the following: "2791" and inserting the following: '2792'

27 Amend the bill in Part B in section 2 in §2792 in subsection 2 by striking out all of
28 the 3rd sentence (page 6, line 41 and page 7, lines 1 and 2 in L.D.) and inserting the
29 following: 'The superintendent shall develop at least one clear choice design for each tier
30 of health insurance plan designated as bronze, silver, gold and platinum in accordance
31 with the federal Affordable Care Act.'

32 Amend the bill in Part B in section 2 in §2792 by striking out all of subsection 4
33 (page 7, lines 11 to 17 in L.D.) and inserting the following:

34 **'4. Alternative plan designs.** In addition to one or more health plans that include
35 cost-sharing parameters consistent with a clear choice design developed pursuant to this
36 section, a carrier may offer up to 3 health plans that modify one or more specific cost-
37 sharing parameters in a clear choice design if the carrier submits an actuarial certification
38 to the satisfaction of the superintendent that the alternative plan design offers significant
39 consumer benefits and does not result in adverse selection. An alternative plan design
40 may be offered only in a service area where the carrier offers at least one clear choice
41 design plan at the same tier.'

42 Amend the bill in Part B in section 2 in chapter 34-B by renumbering the sections to
43 read consecutively.

1 Amend the bill in Part B by striking out all of sections 4 to 6 and inserting the
2 following:

3 **Sec. B-4. 24-A MRSA §2808-B, sub-§2-A, ¶B**, as amended by PL 2009, c.
4 439, Pt. D, §1, is further amended to read:

5 B. A filing and all supporting information, except for protected health information
6 required to be kept confidential by state or federal statute and except for descriptions
7 of the amount and terms or conditions or reimbursement in a contract between an
8 insurer and a 3rd party, are public records notwithstanding Title 1, section 402,
9 subsection 3, paragraph B and become part of the official record of any hearing held
10 pursuant to subsection 2-B, paragraph B or section 2792, subsection 2.

11 **Sec. B-5. 24-A MRSA §2808-B, sub-§2-A, ¶C**, as amended by PL 2007, c.
12 629, Pt. M, §6, is further amended to read:

13 C. Rates for small group health plans must be filed in accordance with this section
14 and subsections 2-B and 2-C or section 2792, as applicable, for premium rates
15 effective on or after July 1, 2004, except that the ~~filing of~~ rates for small group health
16 plans are not required to account for any payment or any recovery of that payment
17 pursuant to subsection 2-B, paragraph D and former section 6913 for rates effective
18 before July 1, 2005.

19 **Sec. B-6. 24-A MRSA §2808-B, sub-§2-B**, as amended by PL 2011, c. 364,
20 §15, is further amended to read:

21 **2-B. Rate review and hearings.** Except as provided in subsection 2-C and section
22 2792, rate filings are subject to this subsection.

23 A. Rates subject to this subsection must be filed for approval by the superintendent.
24 The superintendent shall disapprove any premium rates filed by any carrier, whether
25 initial or revised, for a small group health plan unless it is anticipated that the
26 aggregate benefits estimated to be paid under all the small group health plans
27 maintained in force by the carrier for the period for which coverage is to be provided
28 will return to policyholders at least 75% of the aggregate premiums collected for
29 those policies, as determined in accordance with accepted actuarial principles and
30 practices and on the basis of incurred claims experience and earned premiums. For
31 the purposes of this calculation, any payments paid pursuant to former section 6913
32 must be treated as incurred claims.

33 B. If at any time the superintendent has reason to believe that a filing does not meet
34 the requirements that rates not be excessive, inadequate or unfairly discriminatory or
35 that the filing violates any of the provisions of chapter 23, the superintendent shall
36 cause a hearing to be held. Hearings held under this subsection must conform to the
37 procedural requirements set forth in Title 5, chapter 375, subchapter 4. The
38 superintendent shall issue an order or decision within 30 days after the close of the
39 hearing or of any rehearing or reargument or within such other period as the
40 superintendent for good cause may require, but not to exceed an additional 30 days.
41 In the order or decision, the superintendent shall either approve or disapprove the rate
42 filing. If the superintendent disapproves the rate filing, the superintendent shall
43 establish the date on which the filing is no longer effective, specify the filing the

1 superintendent would approve and authorize the insurer to submit a new filing in
2 accordance with the terms of the order or decision.

3 C. When a filing is not accompanied by the information upon which the carrier
4 supports the filing or the superintendent does not have sufficient information to
5 determine whether the filing meets the requirements that rates not be excessive,
6 inadequate or unfairly discriminatory, the superintendent shall require the carrier to
7 furnish the information upon which it supports the filing.

8 D. A carrier that adjusts its rate shall account for the savings offset payment or any
9 recovery of that savings offset payment in its experience consistent with this section
10 and former section 6913.

11 **Sec. B-7. 24-A MRSA §2808-B, sub-§2-C**, as amended by PL 2011, c. 364,
12 §16, is further amended to read:

13 **2-C. Guaranteed loss ratio.** Notwithstanding subsection 2-B, rate filings for a
14 credible block of small group health plans may be filed in accordance with this subsection
15 instead of subsection 2-B, except as otherwise provided in section 2792. Rates filed in
16 accordance with this subsection are filed for informational purposes.

17 A. A block of small group health plans is considered credible if the anticipated
18 average number of members during the period for which the rates will be in effect
19 meets standards for full or partial credibility pursuant to the federal Affordable Care
20 Act. The rate filing must state the anticipated average number of members during the
21 period for which the rates will be in effect and the basis for the estimate. If the
22 superintendent determines that the number of members is likely to be less than
23 needed to meet the credibility standard, the filing is subject to subsection 2-B.'

24 Amend the bill in Part B by striking out all of section 11 and inserting the following:

25 '**Sec. B-11. 24-A MRSA §3953, sub-§1**, as amended by PL 2017, c. 124, §1, is
26 further amended to read:

27 **1. Guaranteed access reinsurance mechanism established.** The Maine
28 Guaranteed Access Reinsurance Association is established as a nonprofit legal entity. As
29 a condition of doing business in the State, an insurer that has issued or administered
30 medical insurance within the previous 12 months or is actively marketing a medical
31 insurance policy or medical insurance administrative services in this State must
32 participate in the association. ~~The Dirigo Health Program established in chapter 87 and~~
33 ~~any other state-sponsored health benefit program shall also participate in the association.~~
34 ~~Unless an earlier resumption of operations is ordered by the superintendent in accordance~~
35 ~~with paragraph A, operations of the association are suspended until December 31, 2023~~
36 ~~except to the extent provided in section 3962 and the association may not collect~~
37 ~~assessments as provided in section 3957, provide reinsurance for member insurers under~~
38 ~~section 3958 or provide reimbursement for member insurers under section 3961 as of the~~
39 ~~date on which a transitional reinsurance program established under the authority of~~
40 ~~Section 1341 of the federal Affordable Care Act commences operations in this State. The~~
41 association may operate a reinsurance program contingent on the approval of, or
42 continued approval of, a state innovation waiver under Section 1332 of the federal
43 Affordable Care Act submitted by the superintendent as provided for in section 2781.

~~A. If the board proposes a revised plan of operation that calls for the resumption of operations earlier than December 31, 2023 and the superintendent determines that the revised plan is likely to provide significant benefit to the State's health insurance market, the superintendent may order the association to resume operations in accordance with the revised plan. This paragraph applies only if:~~

~~(1) An innovation waiver under Section 1332 of the federal Affordable Care Act as contemplated by paragraphs B and C is granted; or~~

~~(2) The federal Affordable Care Act is repealed or amended in a manner that makes the granting of an innovation waiver unnecessary or inapplicable.~~

~~B. After consulting with the board and receiving public comment, the superintendent may develop a proposal for an innovation waiver under Section 1332 of the federal Affordable Care Act that facilitates the resumption of operations of the association in a manner that prevents or minimizes the loss of federal funding to support the affordability of health insurance in the State.~~

~~C. With the approval of the Governor, the superintendent may submit an application on behalf of the State in accordance with the proposal developed under paragraph B for the purposes of resuming operations of the association to the United States Department of Health and Human Services and to the United States Secretary of the Treasury to waive certain provisions of the federal Affordable Care Act as provided in Section 1332. The superintendent may implement any federally approved waiver.'~~

Amend the bill in Part B by striking out all of section 17 and inserting the following:

'Sec. B-17. 24-A MRSA §3958, as amended by PL 2011, c. 621, §§4 and 5, is further amended to read:

§3958. Reinsurance; premium rates

1. Reinsurance amount. A member insurer offering an individual health plan under section 2736-C must be reinsured by the association to the level of coverage provided in this subsection and is liable to the association for ~~the~~ any applicable reinsurance premium at the rate established in accordance with subsection 2. For calendar year 2022 and subsequent calendar years, the association shall also reinsure member insurers for small group health plans issued under section 2808-B, unless otherwise provided in rules adopted by the superintendent pursuant to section 2792, subsection 5.

A. Beginning July 1, 2012, except as otherwise provided in paragraph A-1, the association shall reimburse a member insurer for claims incurred with respect to a person designated for reinsurance by the member insurer pursuant to section 3959 ~~or 3961~~ after the insurer has incurred an initial level of claims for that person of \$7,500 for covered benefits in a calendar year. In addition, the insurer is responsible for 10% of the next \$25,000 of claims paid during a calendar year. The amount of reimbursement is 90% of the amount incurred between \$7,500 and \$32,500 and 100% of the amount incurred in excess of \$32,500 for claims incurred in that calendar year with respect to that person. For calendar year 2012, only claims incurred on or after July 1st are considered in determining the member insurer's reimbursement. The ~~With the approval of the superintendent, the~~ association may annually adjust the initial level of claims and the maximum limit to be retained by the

10. 04. 08

1 insurer to reflect ~~increases~~ changes in costs and, utilization ~~within the standard~~
2 ~~market for individual health plans within the State. The adjustments may not be less~~
3 ~~than the annual change in the Consumer Price Index for medical care services unless~~
4 ~~the superintendent approves a lower adjustment factor as requested by, available~~
5 ~~funding and any other factors affecting the sustainable operation of the association.~~

6 A-1. In any plan year in which a pooled market is operating in accordance with
7 section 2792, the association shall operate a retrospective reinsurance program
8 providing coverage to member insurers for all individual and small group health
9 plans issued in this State in that plan year. For plan years beginning in 2022, if the
10 pooled market has not been implemented pursuant to section 2792, subsection 5, the
11 association may operate a retrospective reinsurance program for individual health
12 plans, subject to the approval of the superintendent.

13 (1) The association shall reimburse member insurers based on the total eligible
14 claims paid during a calendar year for a single individual in excess of the
15 attachment point specified by the board. The board may establish multiple layers
16 of coverage with different attachment points and different percentages of claims
17 payments to be reimbursed by the association.

18 (2) Eligible claims by all individuals enrolled in individual or small group health
19 plans in this State may not be disqualified for reimbursement on the basis of
20 health conditions, predesignation by the member insurer or any other
21 differentiating factor.

22 (3) The board shall annually review the attachment points and coinsurance
23 percentages and make any adjustments that are necessary to ensure that the
24 retrospective reinsurance program operates on an actuarially sound basis.

25 (4) The board shall ensure that any surplus in the retrospective reinsurance
26 program at the conclusion of a plan year is used to lower attachment points,
27 increase coinsurance rates or both for that plan year, consistent with its
28 responsibility to ensure that the program operates on an actuarially sound basis.

29 B. ~~An~~ A member insurer shall apply all managed care, utilization review, case
30 management, preferred provider arrangements, claims processing and other methods
31 of operation without regard to whether claims paid for coverage are reinsured under
32 this subsection. A member insurer shall report for each plan year the name of each
33 high-priced item or service for which its payment exceeded the amount allowed for
34 eligible claims and the name of the provider that received this payment. The
35 association shall annually compile and publish a list of all reported names.

36 **2. Premium rates.** The association, as part of the plan of operation under section
37 3953, subsection 3, shall establish a methodology for determining premium rates to be
38 charged member insurers to reinsure persons eligible for coverage under this chapter.
39 The methodology must include a system for classification of persons eligible for coverage
40 that reflects the types of case characteristics used by insurers for individual health plans
41 pursuant to section 2736-C, together with any additional rating factors the association
42 determines to be appropriate. The methodology must provide for the development of
43 base reinsurance premium rates, subject to approval of the superintendent, set at levels
44 that, together with other funds available to the association, will be sufficient to meet the

COMMITTEE AMENDMENT

A. of S.

1 anticipated costs of the association. The association shall periodically review the
2 methodology established under this subsection and may make changes to the
3 methodology as needed with the approval of the superintendent. The association may
4 consider adjustments to the premium rates charged for reinsurance to reflect the use of
5 effective cost containment and managed care arrangements by an insurer. This
6 subsection does not apply to reinsurance with respect to any calendar year for which the
7 association operates a retrospective reinsurance program under subsection 1, paragraph
8 A-1. With the approval of the superintendent, the association's plan of operation for a
9 retrospective reinsurance program may include a provision for charging premium on an
10 equitable basis to all member insurers.'

11 Amend the bill in Part C in section 1 in §4320-A by striking out all of subsection 3
12 (page 15, lines 25 to 32 in L.D.) and inserting the following:

13 '3. Primary health services. An individual or small group health plan with an
14 effective date on or after January 1, 2021 must provide coverage without cost sharing for
15 the first primary care office visit and first behavioral health office visit in each plan year
16 and may not apply a deductible or coinsurance to the 2nd or 3rd primary care and 2nd or
17 3rd behavioral health office visits in a plan year. Any copays for the 2nd or 3rd primary
18 care and 2nd or 3rd behavioral health office visits in a plan year count toward the
19 deductible. This subsection does not apply to a plan offered for use with a health savings
20 account unless the federal Internal Revenue Service determines that the benefits required
21 by this section are permissible benefits in a high deductible health plan as defined in the
22 federal Internal Revenue Code, Section 223(c)(2). The superintendent shall conduct a
23 study analyzing the effects of this subsection on premiums based on experience in plan
24 years 2020 and 2021. The superintendent may adopt rules as necessary to address the
25 coordination of the requirements of this subsection for coverage without cost sharing for
26 the first primary care visit and the requirements of this section with respect to coverage of
27 an annual well visit. Rules adopted pursuant to this subsection are routine technical rules
28 as defined in Title 5, chapter 375, subchapter 2-A.'

29 Amend the bill in Part C in section 2 in the 4th line (page 15, line 36 in L.D.) by
30 striking out the following: "2791" and inserting the following: '2792'

31 Amend the bill in Part C in section 2 in the next to the last line (page 15, line 38 in
32 L.D.) by striking out the following: "2791" and inserting the following: '2792'

33 Amend the bill by inserting after Part C the following:

34 **'PART D**

35 **Sec. D-1. Appropriations and allocations.** The following appropriations and
36 allocations are made.

37 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**

38 **Maine Health Insurance Marketplace Trust Fund N343**

39 Initiative: Provides allocation for one Executive Director position, beginning July 1,
40 2020.

COMMITTEE AMENDMENT "A" to H.P. 1425, L.D. 2007

R. O. S.

1	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
2	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
3	Personal Services	\$0	\$186,547
4	All Other	\$0	\$10,804
5			
6	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$197,351</u>

7 **Maine Health Insurance Marketplace Trust Fund N343**
 8 Initiative: Provides allocation for one Public Service Executive II position to serve as
 9 chief technology officer, beginning January 1, 2021.

10	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
11	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
12	Personal Services	\$0	\$69,306
13	All Other	\$0	\$5,402
14			
15	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$74,708</u>

16 **Maine Health Insurance Marketplace Trust Fund N343**
 17 Initiative: Provides allocation for one Public Service Manager III position to handle
 18 communications and outreach duties, beginning January 1, 2021.

19	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
20	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
21	Personal Services	\$0	\$64,455
22	All Other	\$0	\$5,402
23			
24	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$69,857</u>

25 **Maine Health Insurance Marketplace Trust Fund N343**
 26 Initiative: Provides allocation for one Public Service Coordinator II position to handle
 27 finance and compliance duties, beginning January 1, 2021.

28	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
29	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
30	Personal Services	\$0	\$56,316
31	All Other	\$0	\$5,402
32			
33	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$61,718</u>

34 **Maine Health Insurance Marketplace Trust Fund N343**
 35 Initiative: Provides allocation for one Comprehensive Health Planner II position to serve
 36 as a project manager and policy analyst, beginning June 1, 2021.

COMMITTEE AMENDMENT

R. O. S.

1	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
2	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
3	Personal Services	\$0	\$7,556
4	All Other	\$0	\$901
5			
6	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$8,457</u>

7 **Maine Health Insurance Marketplace Trust Fund N343**

8 Initiative: Provides allocation for one Secretary Specialist position to serve as
 9 administrative assistant, beginning January 1, 2021.

10	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
11	POSITIONS - LEGISLATIVE COUNT	0.000	1.000
12	Personal Services	\$0	\$40,878
13	All Other	\$0	\$5,402
14			
15	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$46,280</u>

16 **Maine Health Insurance Marketplace Trust Fund N343**

17 Initiative: Provides a one-time allocation for a website development contract.

18	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
19	All Other	\$0	\$15,000
20			
21	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$15,000</u>

22 **Maine Health Insurance Marketplace Trust Fund N343**

23 Initiative: Provides allocation for an annual contract for navigator grants.

24	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
25	All Other	\$0	\$150,000
26			
27	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$150,000</u>

28 **Maine Health Insurance Marketplace Trust Fund N343**

29 Initiative: Provides allocation for a contract for an annual audit.

30	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
31	All Other	\$0	\$65,000
32			
33	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$65,000</u>

A. of B.

1 **Maine Health Insurance Marketplace Trust Fund N343**
 2 Initiative: Provides a one-time allocation for an independent verification and validation
 3 vendor contract.

4	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
5	All Other	\$0	\$200,000
6			
7	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$200,000</u>

8 **Maine Health Insurance Marketplace Trust Fund N343**
 9 Initiative: Provides allocation for the STA-CAP plan.

10	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
11	All Other	\$0	\$19,751
12			
13	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$19,751</u>

14	HEALTH AND HUMAN SERVICES,		
15	DEPARTMENT OF		
16	DEPARTMENT TOTALS	2019-20	2020-21
17			
18	OTHER SPECIAL REVENUE FUNDS	\$0	\$908,122
19			
20	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$908,122</u>

21 **PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF**
 22 **Administrative Services - Professional and Financial Regulation 0094**
 23 Initiative: Provides allocation to establish one part-time Insurance Actuarial Assistant
 24 position and All Other costs.

25	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
26	All Other	\$0	\$2,340
27			
28	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$2,340</u>

29 **Insurance - Bureau of 0092**
 30 Initiative: Provides allocation to establish one part-time Insurance Actuarial Assistant
 31 position and All Other costs.

1	OTHER SPECIAL REVENUE FUNDS	2019-20	2020-21
2	POSITIONS - LEGISLATIVE COUNT	0.000	0.500
3	Personal Services	\$0	\$39,605
4	All Other	\$0	\$7,691
5			
6	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$47,296</u>
7	PROFESSIONAL AND FINANCIAL		
8	REGULATION, DEPARTMENT OF		
9	DEPARTMENT TOTALS	2019-20	2020-21
10			
11	OTHER SPECIAL REVENUE FUNDS	\$0	\$49,636
12			
13	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$49,636</u>
14	SECTION TOTALS	2019-20	2020-21
15			
16			
17	OTHER SPECIAL REVENUE FUNDS	\$0	\$957,758
18			
19	SECTION TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$957,758</u>
20			

21 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
 22 section number to read consecutively.

23 **SUMMARY**

24 This amendment makes the following changes to the bill.

- 25 1. It specifies that the reporting to the Legislature on the operations of the Maine
 26 Health Insurance Marketplace is to the joint standing committee of the Legislature having
 27 jurisdiction over health coverage, insurance and financial services matters.
- 28 2. It adds cross-references to the definitions of "individual health plan" and "small
 29 group health plan" to clarify that the requirements for the pooled market do not extend to
 30 certain limited benefit insurance plans.
- 31 3. It clarifies the intent that a health plan in the pooled market must comply with the
 32 requirements of the Maine Revised Statutes, Title 24-A, chapter 56-A.
- 33 4. It clarifies that the pooled market does not change current law allowing carriers to
 34 limit their operations to a designated service area or to offer different plans within
 35 different service areas.
- 36 5. It clarifies that the "average premium" trigger is not intended to allow the pooled
 37 market to go forward merely on a finding that average premiums for the pooled group
 38 will be lower, if savings for nongroup policyholders come at the expense of increased
 39 costs for small business. It also adds language requiring the Superintendent of Insurance

COMMITTEE AMENDMENT

1 to conduct an analysis of alternative proposals to stabilize the small group market, should
2 the pooled market not be implemented.

3 6. It clarifies that the Superintendent of Insurance is required to develop at least one
4 clear choice design plan for each tier and allows carriers to offer up to 3 alternative plans
5 subject to submission of a satisfactory actuarial certification to the Superintendent of
6 Insurance.

7 7. It allows the Maine Guaranteed Access Reinsurance Association the option to
8 continue to charge a ceding premium even after converting to a retrospective program.

9 8. It clarifies that the Maine Guaranteed Access Reinsurance Association is not
10 required to transition to a retrospective reinsurance model in 2022 if the pooled market is
11 not in effect. It does provide the option that the association may elect to move to a
12 retrospective model regardless of the pooled market, subject to approval by the
13 Superintendent of Insurance.

14 9. It affirms that the reinsurance program is contingent on federal approval, which is
15 an important technical distinction, in order for the program to generate pass-through
16 funding.

17 10. It limits the scope of the primary care and behavioral health benefit to the
18 individual, small group and future pooled markets and corrects an error that inadvertently
19 made it applicable to large group plans. It clarifies the intent of the bill to apply the
20 primary health services requirement to a total of 6 visits, 3 primary care visits and 3
21 behavioral health visits, and further requires that copays for the 2nd and 3rd primary care
22 and behavioral health visits must count toward the enrollee's deductible. It adds the word
23 "office" after "behavioral health" for clarity. It requires the Superintendent of Insurance
24 to analyze the effects of the primary health services requirement on premiums following
25 implementation and authorizes the superintendent to adopt rules to address the
26 coordination of the requirements for coverage without cost sharing for the first primary
27 care visit and the requirements with respect to coverage of an annual well visit.

28 11. It adds an appropriations and allocations section.

29 **FISCAL NOTE REQUIRED**

30 **(See attached)**



129th MAINE LEGISLATURE

LD 2007

LR 3131(02)

An Act To Enact the Made for Maine Health Coverage Act and Improve Health Choices in Maine

Fiscal Note for Bill as Amended by Committee Amendment

A (H-76 S)

Committee: Health Coverage, Insurance and Financial Services

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$957,758	\$6,290,574	\$11,151,125
Revenue				
Other Special Revenue Funds	\$0	\$933,585	\$6,535,096	\$11,203,021
Transfers				
Other Special Revenue Funds	\$0	\$0	\$0	\$0

Fiscal Detail and Notes

The bill establishes the Maine Health Insurance Marketplace and creates the Maine Health Insurance Marketplace Trust Fund for the deposit of any funds generated for the marketplace. The bill includes Other Special Revenue Funds allocations to the Department of Health and Human Services of \$908,122 in fiscal year 2020-21 for multiple contracts and to establish 6 positions to create and handle the on-going operations of the Maine Health Insurance Marketplace. The revenue generated for the new Maine Health Insurance Marketplace Trust Fund comes from user fees paid monthly by the carriers on the marketplace.

The bill also includes an Other Special Revenue Funds allocation to the Department of Professional and Financial Regulation, Bureau of Insurance, of \$49,636 in fiscal year 2020-21 to establish one part-time Insurance Actuarial Assistant position and all other costs to handle the new requirements in this bill.

Any additional costs to the Legislature, the Treasurer's Office, the Department of Administrative and Financial Services and the Maine Health Data Organization are expected to be minor and can be absorbed within existing budgeted resources.