

# MAINE STATE LEGISLATURE

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JOHN ELIAS BALDACCI  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL  
AND FINANCIAL REGULATION  
BUREAU OF INSURANCE  
34 STATE HOUSE STATION EXECUTIVE DIRECTOR'S  
AUGUSTA, MAINE OFFICE  
04333-0034

MILA KOFMAN  
SUPERINTENDENT

2010 JAN -4 A 10:59

December 29, 2009

Senator Peter B. Bowman, Chair  
Representative Sharon Anglin Treat, Chair  
Joint Standing Committee on Insurance and Financial Services  
State House Room 427  
Augusta, ME 04333

RE: Public Law, Chapter 357 (LD 1397), *An Act to Allow Efficient Health Insurance Coverage*

Dear Sen. Bowman, Rep. Treat, and Members of the Committee:

As required by Title 24-A, M.R.S.A., S. 4303(1)(C), I am pleased to submit the first annual report on the status of approvals of pilot projects utilizing tiered benefit networks and providing incentives to members.

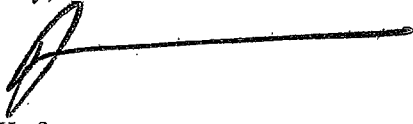
Public Law, Chapter 357 amended Title 24-A., M.R.S.A., S. 4303(1) by adding two subsections. The first paragraph of subsection C reads:

A carrier may develop and file with the superintendent for approval a pilot program that allows carriers to reward providers for quality and efficiency through tiered benefit networks and providing incentives to members. The upper tier, or the upper tiers if there are 3 or more tiers, under a pilot program approved pursuant to this paragraph is exempt from geographic access requirements set forth in this subsection or in rules adopted by the superintendent. Any carrier offering a health plan under the pilot program must collect data on the impact of the pilot program on premiums paid by enrollees, payments made to providers, quality of care received and access to health care services by individuals enrolled in health plans under the pilot program and must submit that data annually to the superintendent. The superintendent shall report annually beginning January 15, 2010 to the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters on any approval of a pilot program pursuant to this paragraph.

At this time, there has been no activity in this area. No such pilot project has been approved by the Bureau, nor has the Bureau received any requests to approve potential pilot projects.

I hope this information is helpful to the Committee. Please feel free to contact me if the Bureau can be of further assistance.

Sincerely,

A handwritten signature in black ink, consisting of a stylized initial 'M' followed by a long horizontal line extending to the right.

Mila Kofman  
Superintendent of Insurance

cc: Colleen McCarthy-Reid, Legislative Analyst