

MAINE STATE LEGISLATURE

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(Filing No. H-886)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
108TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "B" to H.P. 1539,
L.D. 1769, Bill, "AN ACT to Require Filing and Prior Approval
of all Rates for Use by Nonprofit Hospital or Medical Organizations."

Amend the Amendment in section 3 by striking out all of
that part designated "§2322." and inserting in its place the
following:

'§2322. Review of filing

Every filing made pursuant to section 2321 shall be reviewed
by the superintendent to determine whether the rates are excessive,
inadequate, unfairly discriminatory or in violation of any of
the provisions of Title 24-A, chapter 23, to the extent they
are applicable pursuant to section 2317. If the superintendent
determines that the filed rates meet the standards set forth
in this section, he shall notify the filing organization of
his approval in writing, stating the reasons for the approval.
If the superintendent determines there is reason to believe that
the filed rates do not meet the standards set forth in this
section, he shall, after a hearing held upon not less than 10 days'
written notice to the organization making the filing specifying
the matters to be considered at such hearing, issue an order
specifying in what respects, if any, he finds that such filing
fails to meet the requirements that the rates shall not
be excessive, inadequate or unfairly discriminatory and stating

when, within a reasonable period thereafter, such filing shall be deemed no longer effective. The superintendent shall have the burden of proof at any hearing concerning a determination that the rates are excessive, inadequate or unfairly discriminatory. Copies of the order shall be sent to the organization making the filing. The order shall not affect any individual subscriber or membership contract made or issued prior to the expiration of the effective period set forth in the order. If the superintendent fails to perform his duties as set forth in this section, such failure shall be grounds to begin proceedings for his removal from office.

Further amend the Amendment by striking out all of section 5 and inserting in its place the following:

'Sec. 5. 24-A MRSA §2736-A is enacted to read:

§2736-A. Review of filing

Every filing made pursuant to section 2736 shall be reviewed by the superintendent to determine whether the rates are excessive, inadequate, unfairly discriminatory or in violation of any of the provisions of chapter 23. If the superintendent determines that the filed rates meet the standards set forth in this section, he shall notify the filing insurer of his approval in writing stating the reasons for such approval. If the superintendent determines there is reason to believe that the filed rates do not meet the standards set forth in this section, he shall, after a hearing held upon not less than 10 days' written notice to the insurer making the filing specifying the matters to be considered at such hearing, issue an order specifying in what

respects, if any, he finds that such filing fails to meet the requirements that rates shall not be excessive, inadequate or unfairly discriminatory and stating when, within a reasonable time period thereafter, such filing shall be deemed no longer effective. The superintendent shall have the burden of proof at any hearing concerning a determination that rates are excessive, inadequate or unfairly discriminatory. Copies of the order shall be sent to the insurer making the filing. The order shall not affect any policy issued prior to the expiration of the effective period set forth in the order. If the superintendent fails to perform his duties as set forth in this section, such failure shall be grounds to begin proceedings for his removal from office.'

Statement of Fact

This amendment specifies that the superintendent must review all rate filings covered by these sections and must state his reasons in writing for either approving or disapproving such filings. Failure to perform these duties would be grounds

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "E" to H.P. 1539,
L.D. 1769

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to begin proceedings for his removal from office.

Filed by Mrs. Kany of Waterville.

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the House.
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