

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TENTH LEGISLATURE
4

5 **Legislative Document**

No. 1964

7 S. P. 841 In Senate, February 11, 1982
Approved for introduction by the Legislative Council pursuant to
Joint Rule 26.

8 Referred to the Committee on Business Legislation and ordered
printed. Sent down for concurrence.

Presented by Senator Najarian of Cumberland.
MAY M. ROSS, Secretary of the Senate

Cosponsors: Representative Mitchell of Vassalboro and Repre-
sentative Perkins of Brooksville.

9
10 STATE OF MAINE
11

12 IN THE YEAR OF OUR LORD
13 NINETEEN HUNDRED AND EIGHTY-TWO
14

15 AN ACT Relating to Review of Blue Cross
16 and Blue Shield Subscriber Plans.
17

18 Be it enacted by the People of the State of Maine as follows:

19 **Sec. 1.** 24 MRSA §2321, sub-§1, first sentence, as
20 enacted by PL 1977, c. 493, §2, is amended to read:

21 Every nonprofit hospital and medical service organization
22 shall file with the superintendent, ~~except as to group sub-~~
23 ~~scriber and membership contracts,~~ every rate, rating formula
24 and every modification of any of the foregoing which it pro-
25 poses to use.

26 **Sec. 2.** 24 MRSA §2322, as repealed and replaced by PL
27 1979, c. 558, §3, is amended by adding before the first
28 paragraph a new paragraph to read:

29 Every filing made pursuant to sections 2321 and 2327
30 shall be reviewed by the superintendent to determine whether
31 the benefits are unreasonable in relation to the rate

1 charged or whether the rates are excessive, inadequate,
2 unfairly discriminatory or in violation of Title 24-A, chap-
3 ter 23, to the extent they are applicable pursuant to
4 section 2317.

5 Sec. 3. 24 MRSA §2327, as enacted by PL 1979, c. 558,
6 §5, is amended to read:

7 §2327. Group rates

8 No group health care contract shall be issued by a non-
9 profit hospital or medical service organization in this
10 State until a copy of the group manual rates to be used in
11 calculating the rates for these contracts have been filed
12 for informational purposes with the superintendent and
13 reviewed and approved by the superintendent pursuant to
14 section 2322.

15 STATEMENT OF FACT

16 Blue Cross and Blue Shield has 181,000 subscribers on
17 group health plans in the State. The intent of this bill is
18 to guarantee that the cost to these subscribers is not
19 excessive by requiring that the Bureau of Insurance review
20 their rates, rating formulas and group manual rates used to
21 calculate group health care contracts.

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