

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND THIRTEENTH LEGISLATURE
4

5 Legislative Document

NO. 31
6

7 H.P. 30 House of Representatives, January 21, 1987
8 Reference to the Committee on Banking and Insurance
9 suggested and ordered printed.

EDWIN H. PERT, Clerk
10 Presented by Representative Armstrong of Wilton.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-SEVEN
16

17 AN ACT to Amend the Preferred Provider
18 Arrangement Laws of Maine.
19

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

22 Sec. 1. 24 MRSA §2339, as enacted by PL 1985, c.
23 704, §2, is amended to read:

24 §2339. Alternative health care benefits

25 A nonprofit service organization which makes a
26 preferred provider arrangement available shall provide
27 for payment for covered health care services
28 rendered by providers who are not preferred
29 providers. The payment shall be at least 80% of the
30 amount that would have been paid by the nonprofit
31 service organization for services rendered by a preferred
32 provider - The payment differential between

1 preferred providers and nonpreferred providers may
2 not exceed 20% of the covered health care service
3 charge.

4 Sec. 2. 24-A MRSA §2677, as enacted by PL 1985,
5 c. 704, §4, is amended to read:

6 §2677. Alternative health care benefits

7 An insurer or administrator who makes a preferred
8 provider arrangement available shall provide for pay-
9 ment for covered health care services rendered by
10 providers who are not preferred providers. The pay-
11 ment shall be at least 80% of the amount that would
12 have been paid by the administrator or insurer for
13 services rendered by a preferred provider. The pay-
14 ment differential between preferred providers and
15 nonpreferred providers may not exceed 20% of the cov-
16 ered health care service charge.

17 STATEMENT OF FACT

18 This bill amends the Preferred Provider Arrange-
19 ment Act of 1986 to correct unintentional, but likely
20 inequities in the treatment of payments for services
21 of preferred and nonpreferred providers.

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