

THIRD SPECIAL SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

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3 4 NO. 2698

H.P. 1996 House of Representatives, September 16, 1988 Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.

Reference to the Committee on Banking and Insurance suggested and ordered printed.

EDWIN H. PERT, Clerk Presented by Representative RYDELL of Brunswick. Cosponsored by Senator THERIAULT of Aroostook.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-EIGHT

AN ACT to Amend the Maine Managed Care Insurance Plan Demonstration for Uninsured Individuals.

5 Be it enacted by the People of the State of Maine as 6 follows:

7 22 MRSA \$3188, sub-\$2, as enacted by PL 1987, c. 349, Pt. H, \$14, is repealed and the following enacted in its place:

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2. Targeted enrollment. The department shall target enrollment in this plan to low-income, 1 2 3 non-Medicaid eligible individuals employed in groups 4 of less than 15 and the self-employed. Individual or nongroup policies will not be offered through this 5 6 Enrollment in this plan shall not be offered program. 7 to any group where there has been a health plan offered at any time within the past 12 months or to any self-employed individual who has been covered by 8 9 health benefits coverage at any time within the past 12 months; except that groups and individuals who were 10 11 12 covered through the Medicaid program or who had health 13 benefits and lost that coverage involuntarily and who 14 otherwise would be eligible for the Maine Managed Care 15 Demonstration are Insurance Plan eligible for 16 enrollment.

17 The intent of this demonstration is to provide access 18 health benefits to those for whom financial to of 19 barriers preclude the purchase the coverage. 20 Eligibility criteria for the Maine Managed Care 21 Insurance Plan Demonstration shall be developed by the 22 department based upon the advice of The Robert Wood Johnson Foundation's grant advisory committee. 23

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STATEMENT OF FACT

25 The changes made in this bill to the Maine Managed 26 Insurance Plan Demonstration reflect the fact Care 27 the original scope of which that the program, 28 contemplated both group and nongroup enrollment and 29 coverage of both the employed and unemployed, has been 30 narrowed to focus on the low-income worker employed by 31 This narrowing of focus small businesses. was 32 necessitated both by the level of funding available to the program and the appropriateness of the strategy contemplated for the workplace. 33 34

The exclusion of those with prior health coverage has also been changed to reflect the focus of the program upon group enrollment. The new language would preclude any employer with group coverage or any self-employed individual from dropping private sector

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coverage to take advantage of the subsidized demonstration program, but would allow an employee or employer who had individual coverage to drop that coverage and join the group, should the employer elect to offer coverage through the demonstration plan. The change seeks to protect against "dumping" private coverage while creating a situation of equity within the work plan for these groups which previously have had no group coverage available.

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