

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
115TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1504, L.D. 2117, Bill, "An Act to Repeal the Laws Creating the Mandated Benefits Advisory Commission"

Amend the bill by striking out the title and substituting the following:

'An Act Regarding Review and Evaluation of Proposed Mandated Health Legislation'

Further amend the bill by striking out all of section 8 and inserting in its place the following:

'Sec. 8. 24-A MRSA §2752 is enacted to read:

§2752. Mandated health legislation procedures

1. Mandated health benefits proposals. For purposes of this section, a mandated health benefit proposal is one that mandates health insurance coverage for specific health services, specific diseases or certain providers of health care services as part of individual or group health insurance policies. A mandated option is not a mandated benefit for purposes of this section.

2. Procedures before legislative committees. Whenever a legislative measure containing a mandated health benefit is proposed, the joint standing committee of the Legislature having jurisdiction over the proposal shall hold a public hearing and determine the level of support for the proposal among the members of the committee. If there is substantial support for the proposed mandate among members of the committee, the committee may refer the proposal to the Bureau of Insurance for review and evaluation pursuant to subsection 3. A proposed mandate may not be enacted into law unless review and evaluation pursuant to subsection 3 has been completed.

2 3. Review and evaluation. Upon referral of a mandated
3 health benefit proposal from the joint standing committee of the
4 Legislature having jurisdiction over the proposal, the Bureau of
5 Insurance shall conduct a review and evaluation of the mandated
6 health benefit proposal and shall report to the committee in a
7 timely manner. The report must include, at the minimum and to
8 the extent that information is available, the following:

9 A. The social impact of mandating the benefit, including:

10 (1) The extent to which the treatment or service is
11 utilized by a significant portion of the population;

12 (2) The extent to which the treatment or service is
13 available to the population;

14 (3) The extent to which insurance coverage for this
15 treatment or service is already available;

16 (4) If coverage is not generally available, the extent
17 to which the lack of coverage results in persons being
18 unable to obtain necessary health care treatment;

19 (5) If the coverage is not generally available, the
20 extent to which the lack of coverage results in
21 unreasonable financial hardship on those persons
22 needing treatment;

23 (6) The level of public demand and the level of demand
24 from providers for the treatment or service;

25 (7) The level of public demand and the level of demand
26 from the providers for individual or group insurance
27 coverage of the treatment or service;

28 (8) The level of interest of collective bargaining
29 organizations in negotiating privately for inclusion of
30 this coverage in group contracts;

31 (9) The likelihood of achieving the objectives of
32 meeting a consumer need as evidenced by the experience
33 of other states;

34 (10) The relevant findings of the state health
35 planning agency or the appropriate health system agency
36 relating to the social impact of the mandated benefit;

37 (11) The alternatives to meeting the identified need;

2 (12) Whether the benefit is a medical or a broader
3 social need and whether it is consistent with the role
4 of health insurance;

6 (13) The impact of any social stigma attached to the
7 benefit upon the market;

8 (14) The impact of this benefit on the availability of
9 other benefits currently being offered; and

10 (15) The impact of the benefit as it relates to
11 employers shifting to self-insured plans;

14 B. The financial impact of mandating the benefit, including:

16 (1) The extent to which the proposed insurance
17 coverage would increase or decrease the cost of the
18 treatment or service over the next 5 years;

20 (2) The extent to which the proposed coverage might
21 increase the appropriate or inappropriate use of the
22 treatment or service over the next 5 years;

24 (3) The extent to which the mandated treatment or
25 service might serve as an alternative for more
26 expensive or less expensive treatment or service;

28 (4) The methods that will be instituted to manage the
29 utilization and costs of the proposed mandate;

30 (5) The extent to which the insurance coverage may
31 affect the number and types of providers of the
32 mandated treatment or service over the next 5 years;

34 (6) The extent to which insurance coverage of the
35 health care service or provider may be reasonably
36 expected to increase or decrease the insurance premium
37 and administrative expenses of policyholders;

40 (7) The impact of indirect costs, which are costs
41 other than premiums and administrative costs, on the
42 question of the costs and benefits of coverage;

44 (8) The impact of this coverage on the total cost of
45 health care; and

46 (9) The effects on the cost of health care to
47 employers and employees, including the financial impact
48 on small employers, medium-sized employers and large
49 employers;

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2 mandates to the Bureau of Insurance for review and evaluation if
there is substantial support for the proposal among members of
4 the committee. The amendment requires review and evaluation of
these proposals prior to enactment into law. The amendment also
6 adds a fiscal note to the bill.

Reported by the Committee on Banking and Insurance
Reproduced and distributed under the direction of the Clerk of the
House
2/18/92

(Filing No. H-941)

COMMITTEE AMENDMENT