

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 431, L.D. 594, Bill, "An Act to Modify Community Rating for Individual and Small Group Health Plans"

Amend the amendment by striking out all of sections 1 and 2 and inserting in their place the following:

'Sec. 1. 24-A MRSA §2736-C, sub-§2, ¶D, as amended by PL 1993, c. 546, §1, is further amended to read:

D. A carrier may vary the premium rate due to age, smoking status, occupation or industry, and geographic area only under the following schedule and within the listed percentage bands.

(1) For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State between December 1, 1993 and July 14, 1994, the premium rate may not deviate above or below the community rate filed by the carrier by more than 50%.

(2) For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State between July 15, 1994 and July 14, 1995, the premium rate may not deviate above or below the community rate filed by the carrier by more than 33%.

2 (3) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
4 or renewed in this State between July 15, 1995 and July
14, ~~1996~~ 1997, the premium rate may not deviate above
6 or below the community rate filed by the carrier by
more than 20%.

8 (4) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
10 or renewed in this State between July 15, ~~1996~~ 1997 and
July 14, ~~1997~~ 1998, the premium rate may not deviate
12 above or below the community rate filed by the carrier
by more than 10%.

14 (5) For all policies, contracts or certificates that
16 are executed, delivered, issued for delivery, continued
or renewed in this State on or after July 15, ~~1997~~
18 1998, the premium rate may not deviate from the
community rate filed by the carrier.

20 **Sec. 2. 24-A MRSA §2808-B, sub-§2, ¶D**, as amended by PL 1993,
22 c. 546, §2, is further amended to read:

24 D. A carrier may vary the premium rate due to age, smoking
status, occupation or industry, and geographic area only
26 under the following schedule and within the listed
percentage bands.

28 (1) For all policies, contracts or certificates that
30 are executed, delivered, issued for delivery, continued
or renewed in this State between July 15, 1993 and July
32 14, 1994, the premium rate may not deviate above or
below the community rate filed by the carrier by more
34 than 50%.

36 (2) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
38 or renewed in this State between July 15, 1994 and July
14, 1995, the premium rate may not deviate above or
40 below the community rate filed by the carrier by more
than 33%.

42 (3) For all policies, contracts or certificates that
44 are executed, delivered, issued for delivery, continued
or renewed in this State between July 15, 1995 and July
46 14, ~~1996~~ 1997, the premium rate may not deviate above
or below the community rate filed by the carrier by
48 more than 20%.

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2 (4) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
4 or renewed in this State between July 15, ~~1996~~ 1997 and
July 14, ~~1997~~ 1998, the premium rate may not deviate
6 above or below the community rate filed by the carrier
by more than 10%.

8 (5) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
10 or renewed in this State on or after July 15, ~~1997~~
1998, the premium rate may not deviate from the
12 community rate filed by the carrier.'

14 Further amend the amendment in section 3 in the first
paragraph in the 3rd line (page 3, line 16 in amendment) by
16 striking out the following: "November" and inserting in it place
the following: 'January'

20 **STATEMENT OF FACT**

22 This amendment strikes out the provisions of the committee
24 amendment that freeze the community rating requirements at the
20% rate band. Instead, the amendment extends the 20% rate band
26 for 2 years from July 15, 1995 to July 14, 1997. After July 14,
1997, community rating will continue to be phased in according to
28 its statutory schedule.

30 The amendment also directs the Bureau of Insurance to submit
a report on the effects of community rating law to the joint
32 standing committee of the Legislature having jurisdiction over
insurance matters on or before January 1, 1997, instead of
34 November 1, 1997 as directed in the committee amendment.

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38 SPONSORED BY: E. H. Mitchell
(Representative E. H. MITCHELL)

40 TOWN: Vassalboro
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