MAINE STATE LEGISLATURE

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	L.D. 594
2	DATE: 4/19/95 (Filing No. H- 123)
4	EATH. 4/15/55
6	BANKING AND INSURANCE
8	
10	Reproduced and distributed under the direction of the Clerk of the House.
12	STATE OF MAINE
14	HOUSE OF REPRESENTATIVES 117TH LEGISLATURE
16	FIRST REGULAR SESSION
18	COMMITTEE AMENDMENT " \mathcal{A} " to H.P. 431, L.D. 594, Bill, "An
20	COMMITTEE AMENDMENT "7" to H.P. 431, L.D. 594, Bill, "An Act to Modify Community Rating for Individual and Small Group Health Plans"
22	
24	Amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:
26	'Be it enacted by the People of the State of Maine as follows:
28	be it enacted by the reopie of the State of Maine as follows.
30	Sec. 1. 24-A MRSA §2736-C, sub-§2, ¶D, as amended by PL 1993, c. 546, §1, is further amended to read:
32	D. A carrier may vary the premium rate due to age, smoking status, occupation or industry, and geographic area only
34	under the following schedule and within the listed percentage bands.
36	
38	(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
40	July 14, 1994, the premium rate may not deviate above or below the community rate filed by the carrier by
42	more than 50%.
44	(2) For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued
46	or renewed in this State between July 15, 1994 and July 14, 1995, the premium rate may not deviate above or
48	below the community rate filed by the carrier by more than 33%.

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COMMITTEE AMENDMENT "A" to H.P. 431, L.D. 594

	(3) For all policies, contracts or certificates that
2	are executed, delivered, issued for delivery, continued
	or renewed in this State between after July 15, 1995
4	andJuly-14,1996, the premium rate may not deviate
	above or below the community rate filed by the carrier
6	by more than 20%.
8	(4)Forall-policies,contracts-excertificates-that
	are-executed,-delivered,-issued-for-delivery,-eentinued
10	er-renewed-in-this-State-between-July-15,-1996-and-July
	14,1997,thepremium-ratemay-notdeviateaboveer
12	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,-eontinued
10	or-renewed-in-this-State-on-or-after-July-15,-1997,-the
18	premium-rate-may-not-deviate-from-the-community-rate
20	filed-by-the-earrier-
20	200 7 74 A MDCA 2200 D gul 22 du
22	Sec. 2. 24-A MRSA §2808-B, sub-§2, ¶D, as amended by PL 1993, c. 546, §2, is further amended to read:
22	c. 540, 32, is further amended to read:
24	D. A carrier may vary the premium rate due to age, smoking
24	status, occupation or industry, and geographic area only
26	under the following schedule and within the listed
20	percentage bands.
28	percentage bands.
20	(1) For all policies, contracts or certificates that
30	are executed, delivered, issued for delivery, continued
30	or renewed in this State between July 15, 1993 and July
32	14, 1994, the premium rate may not deviate above or
0.5	below the community rate filed by the carrier by more
34	than 50%.
0 -	
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 after July 15, 1995
46	and-July-14,1996, the premium rate may not deviate
	above or below the community rate filed by the carrier
48	by more than 20%.

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COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to H.P. 431, L.D. 594

	(4)Forall-policiescontracts-er-certificates-that
2	are-executed,-delivered,-issued-for-delivery,-eentinued
	or-renewed-in-this-State-between-July-15,-1996-and-July
4	14,1997-,-thepremium-ratemay-notdeviate-aboveer
_	below-the-community-rate-filed-by-the-carrier-by-more
6	than-10%.
8	(5) Forall-policies, contracts - or - certificates - that
	are-executed, - delivered, - issued -for -delivery, -continued
10	er-renewed-in-this-State-on-or-after-July-15,-1997,-the
	premium-rate-may-not-deviate-from-the-community-rate
12	filed-by-the-earrier.
14	Sec. 3. Report. The Bureau of Insurance shall report to the
	joint standing committee of the Legislature having jurisdiction
16	over insurance matters on or before November 1, 1997 on the
10	effects of the rating provisions of the Maine Revised Statutes,
18	Title 24-A, sections 2736-C and 2808-B. The report must focus on
10	the following issues:
20	the following isbues.
- 0	1. The effect of the enactment of community rating statutes
22	on the cost of individual and small group health insurance;
24	2. The effect of the enactment of community rating statutes
	on access to health insurance coverage through individual and
26	small group plans; and
28	3. The guaranteed issuance and renewability of health
20	insurance and their impact with and without community rating of
30	individual and small group health insurance premiums.'
30	individual and small group hearth insulance plemiums.
32	Further amend the bill by inserting at the end before the
	statement of fact the following:
34	·
	FISCAL NOTE
36	
	The Bureau of Insurance will incur some minor additional
38	costs to process any rate filings from insurers as a consequence
	of changes in the community rating laws and to submit a required
40	report to the Legislature. These costs can be absorbed within
	the bureau's existing budgeted resources.'
42	
44	STATEMENT OF FACT
46	This amendment freezes the community rating requirements for
TU	This amendment freezes the community rating requirements for individual and small group health plans at the 20% rate band
	individual and small group health plans at the 20% rate band

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scheduled to take effect on July 15, 1995 and directs the Bureau of Insurance to submit a report on the effects of community

COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to H.P. 431, L.D. 594

- rating to the joint standing committee of the Legislature having jurisdiction over insurance matters on or before November 1, 1997.
- The amendment also removes the emergency preamble and the emergency clause from the bill and adds a fiscal note.