

MAINE STATE LEGISLATURE

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L.D. 806

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DATE: (Filing No. S-55)

BANKING AND INSURANCE

Reported by: *Senator LaFountain*

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**STATE OF MAINE
SENATE
118TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 237, L.D. 806, Bill, "An Act to Include Health Maintenance Organizations in the Bureau of Insurance's Regulatory Assessment"

Amend the bill by inserting after the enacting clause the following:

'Sec. 1. 24 MRSA §2332, sub-§2, enacted by PL 1985, c. 446, §1, is amended to read:

2. Subscription income. Based on the annual statement filed by each nonprofit hospital or medical service organization or health care plan pursuant to section 2306, the superintendent shall ascertain the amount of subscription income received in that year. For the purpose of this section only, "subscription income" means and includes subscription premium and other considerations received by hospital or medical service organizations and health care plans, on account of certificates or contracts covering risks located, resident or to be performed in this State, after deducting subscription or other contract consideration returns. "Subscription income" does not include direct gross written premium used to calculate the assessment, pursuant to Title 24-A, section 237, for a health maintenance organization operated and organized as a division or line of business of a nonprofit hospital or medical or health care service organization.'

Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

2 Further amend the bill by inserting at the end before the
summary the following:

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6 **FISCAL NOTE**

8 The Bureau of Insurance, within the Department of
Professional and Financial Regulation, will incur some minor
additional costs to redistribute assessment costs to include
10 health maintenance organizations. These costs can be absorbed
within the bureau's existing budgeted resources.'

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14 **SUMMARY**

16 This amendment clarifies that the direct gross premium from
the health maintenance organization division or line of business
18 of a nonprofit hospital or medical or health care service
organization is not included in the assessment base used in
20 calculating the assessment upon a nonprofit hospital or medical
or health care service organization for the expenses of
22 maintaining the Bureau of Insurance.

24 The amendment also adds a fiscal note to the bill.