

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 760

S.P. 267

In Senate, January 28, 1999

**An Act to Clarify the Residency Requirements for Individual Health
Insurance Coverage through a Maine-based Insurance Carrier.**

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator LaFOUNTAIN of York.
Cosponsored by Representative MAYO of Bath and
Senator ABROMSON of Cumberland, Representatives: JONES of Pittsfield, O'NEIL of
Saco, SAXL of Bangor.

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

2
4 Sec. 1. 24-A MRSA §2736-C, sub-§1, ¶¶C-1 and C-2, as enacted by
PL 1997, c. 445, §8 and affected by §32, are amended to read:

6 C-1. "Legally domiciled" means a resident of this State who
7 ~~has a motor vehicle operator's license from this State, is~~
8 registered demonstrates an intent to make this State a
9 permanent home by registering to vote in this State or files
10 an income tax return for and claiming this State as legal
11 domicile for federal tax purposes. A child is legally
12 domiciled in this State if at least one of the child's
13 parents or the child's legal guardian is legally domiciled
14 in this State. A person with a developmental or other
15 disability that prevents that person from ~~obtaining a motor~~
16 ~~vehicle operator's license,~~ registering to vote or filing an
17 income tax return is legally domiciled in this State by
18 living in being a resident of this State.

20 C-2. "Resident" means a person who has a dwelling in this
21 State and is legally domiciled physically present in this
22 State ~~and has been~~ for at least ~~the last~~ 60 days per year.

24 Sec. 2. 24-A MRSA §2736-C, sub-§3, ¶A, as amended by PL 1997,
25 c. 445, §9 and affected by §32, is further amended to read:

26 A. Coverage must be guaranteed to all residents of this
27 State who are legally domiciled in this State other than
28 those eligible without paying a premium for Medicare Part
29 A. On or after January 1, 1998, coverage must be guaranteed
30 to all legally domiciled federally eligible individuals, as
31 defined in section 2848, regardless of the length of time
32 they have been legally domiciled in this State. Except for
33 federally eligible individuals, coverage need not be issued
34 to an individual whose coverage was terminated for
35 nonpayment of premiums during the previous 91 days or for
36 fraud or intentional misrepresentation of material fact
37 during the previous 12 months. When a managed care plan, as
38 defined by section 4301, provides coverage a carrier may:

40 (1) Deny coverage to individuals who ~~neither live nor~~
41 ~~reside~~ are not physically present within the approved
42 service area of the plan for at least 6 months of each
43 year; and

44 (2) Deny coverage to individuals if the carrier has
45 demonstrated to the superintendent's satisfaction that:
46
47
48

2 (a) The carrier does not have the capacity to
3 deliver services adequately to additional
4 enrollees because of its obligations to existing
5 enrollees; and

6 (b) The carrier is applying this provision
7 uniformly to individuals and groups without regard
8 to any health-related factor.

10 A carrier that denies coverage in accordance with this
11 paragraph may not enroll individuals or groups within
12 the service area for a period of 180 days after the
13 date of denial of coverage.
14

16 SUMMARY

18 This bill ensures that individuals seeking individual health
19 insurance coverage through insurance carriers based in this State
20 have an appropriate degree of contact with this State.

22 This bill clarifies the degree of contact an individual must
23 have with this State in order to obtain health care coverage
24 through a carrier based in this State. This bill requires an
25 individual to establish both residency and legal domicile in this
26 State in order to be eligible for the guaranteed issuance
27 protections of the Maine Insurance Code. An individual may
28 establish residency by having a dwelling in this State and being
29 physically present in the State for 60 days per year. An
30 individual may establish this state as legal domicile by
31 registering to vote in the State and claiming it as legal
32 domicile for federal tax purposes. This bill eliminates
33 obtaining a driver's license and filing a state tax return in
34 this State as criteria for establishing legal domicile.