MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1604

S.P. 542

In Senate, March 2, 1999

An Act to Create a Standard Small Group Health Plan.

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

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator MILLS of Somerset.

	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 5 MRSA §12004-E, sub-§4 is enacted to read:
4	
6	4. Standard Small Legislative 24-A MRSA Group Health Plan Per Diem §2808-C Commission for Public
8	Members
10	Sec. 2. 24-A MRSA §2808-C is enacted to read:
12	§2808-C. Standard Small Group Health Plan
14	1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the
16	following meanings.
18	A. "Carrier" has the meaning set forth in section 2808-B, subsection 1, paragraph A.
20	B. "Commission" means the Standard Small Group Health Plan
22	Commission.
24	C. "Premium rate" has the meaning set forth in section 2808-B, subsection 1, paragraph F.
26	D. "Small group health plan" has the meaning set forth in
28	section 2808-B, subsection 1, paragraph G.
30	E. "Standard plan" has the meaning set forth in section 2808-B, subsection 8, paragraph A.
32	2. Establishment. The Standard Small Group Health Plan
34	Commission, referred to in this section as "the commission," established by Title 5, section 12004-E, subsection 4, is
36	composed of the following 3 members:
38	A. The superintendent or superintendent's designee; and
40	B. Two members of the public, appointed jointly by the President of the Senate and Speaker of the House of
42	Representatives.
44	Each public member of the commission is entitled to compensation
4 6	pursuant to Title 5, chapter 379. The commission shall meet from time to time as required to fulfill its responsibilities. The
48	bureau shall provide staff assistance to the commission.
30	3. Duties. The commission shall define a minimum standard
50	small group health plan in addition to the 2 plans defined by

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2	The minimum standard plan must include the following terms:
4	A. The plan must be offered by all carriers offering small
	group health plans in the State; and
6	
	B. The plan premium rate may not exceed 10% of the State's
8	average annual wage.
10	Notwithstanding any other provision of law, the commission has
	the authority to define a minimum standard small group health
12	plan that does not include certain or all health benefits
	mandated by state law if the exclusion of the mandated benefit or
14	benefits is necessary to meeting the requirement of paragraph B.
16	
	SUMMARY
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	This bill establishes a commission composed of the
20	Superintendent of Insurance and 2 public members to define a
	minimum standard small group health plan. Current law requires
22	the superintendent to define a standard small group health plan
	and a basic small group health plan. This bill requires the
24	commission in addition to design a 3rd small group health plan,
	the annual premium for which cannot exceed 10% of the Maine
26	average annual wage. To accomplish the goal of affordable
~ 0	premiums, the commission is authorized to define a plan that does
20	not include mandated health benefits