



## **119th MAINE LEGISLATURE**

## **FIRST REGULAR SESSION-1999**

Legislative Document

No. 1664

S.P. 584

In Senate, March 4, 1999

An Act to Clarify Basic Health Care Services to be Offered by Maine Health Maintenance Organizations.

(EMERGENCY)

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

Buen

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator LaFOUNTAIN of York. Cosponsored by Senators: ABROMSON of Cumberland, MURRAY of Penobscot, PENDLETON of Cumberland, Representatives: PERRY of Bangor, SULLIVAN of Biddeford. **Emergency preamble. Whereas,** Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, this legislation is immediately necessary to ensure that health maintenance organizations and employers are able to vary particular coverages and copayment requirements to respond to particular needs and market factors; and

10 Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of 12 Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and 14 safety; now, therefore,

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

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Sec. 1. 24-A MRSA §4202-A, sub-§1, as enacted by PL 1991, c. 709, §2, is amended to read:

1. Basic health care services. "Basic health care services" means-health-care-services-that-an-carolled-pepulation 22 might--reasonably--require --in --order--to--be--maintained--in--good 24 health, -- including includes, at a minimum, emergency care, inpatient hospital care, inpatient-outpatient inpatient physician services, outpatient physician services, x-ray services and, 26 laboratory services and all statutorily mandated benefits and benefits mandated by rule applicable to health maintenance 28 The Bureau of Insurance may adopt rules defining organizations. 30 "basic health care services" to be provided by health maintenance organizations. In adopting any such rules, the Bureau of 32 Insurance shall consider the coverages that have traditionally been provided by health maintenance organizations, the need for 34 flexibility in the marketplace and the importance of providing multiple options to employers and consumers. Rules adopted under 36 this subsection are routine technical rules pursuant to Title 5, chapter 375, subchapter II-A.

## Sec. 2. 24-A MRSA §4204, sub-§2-A, ¶O is enacted to read:

0. Each health maintenance organization shall provide basic42health care services. The Bureau of Insurance may not<br/>require that all health benefit plans offered by health44maintenance organizations meet or exceed the requirements of<br/>standard or basic health plans specified in the Bureau of46Insurance Rule, Chapter 750, Health maintenance<br/>organizations may vary the coverages set forth in particular<br/>health benefit plans and the copayments and related<br/>limitations governing number of visits and dollar<br/>5050copayments, so long as each such health benefit plan

provides coverage for the scope of basic health care services.

In view of the emergency cited in the

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Emergency clause.

preamble, this Act takes effect when approved.

## SUMMARY

10 This bill clarifies the definition of "basic health care services" for purposes of defining the scope of health care 12 services to be provided by all health maintenance organizations. Under the Bureau of Insurance Rule, Chapter 850, Section 7(B)(1), all health maintenance organizations are presently required to 14 include in each of their health plans the specific coverages set forth in the health maintenance organization basic plan, which in 16 turn is set forth in the Bureau of Insurance Rule, Chapter 750, Section 6(B). Together, these rule provisions have the effect of 18 imposing upon health maintenance organizations as mandated benefits, certain benefits that go beyond the present scope of 20 mandated benefits. In addition, these rules impose very specific requirements governing the applicability of copayments, 22 or prohibitions on copayments, that are contrary to the coverages 24 historically provided by health maintenance organizations and are inconsistent with the types of plans employers have traditionally sought. 26

28 This bill focuses the definition of "basic health care services" upon a list of medical services required to be covered and includes all statutory mandates. It recognizes and preserves 30 the Bureau of Insurance's authority to adopt rules further 32 defining the services all health maintenance organizations must provide. At the same time, it precludes the bureau from relying on all particulars of the standard or basic plans in Chapter 750 34 for this purpose and leaves to employers and health maintenance organizations the task of determining the nature and scope of 36 copayments and related requirements that they desire to flesh out this scope of services. 38