

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 158

H.P. 147

House of Representatives, January 16, 2001

An Act to Provide Insurance Plan Coverage for Small Employers.

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

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative DUNLAP of Old Town.
Cosponsored by Senator CATHCART of Penobscot and
Representatives: PERRY of Bangor, RINES of Wiscasset, Speaker SAXL of Portland,
THOMAS of Orono, TWOMEY of Biddeford, VOLENIK of Brooklin, Senators: RAND of
Cumberland, SHOREY of Washington.

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

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Sec. 1. 5 MRSA §285, first ¶, ¶G, as amended by PL 1989, c. 776, §1, is further amended to read:

A group health plan is available to state eligible employees, subject to the following provisions.

Sec. 2. 5 MRSA §285, sub-§1, ¶G, as amended by PL 1997, c. 652, §1, and affected by §4, is further amended to read:

G. Subject to subsection 1-A, employees in any of the categories denominated in paragraphs A to F-1 and paragraph F-3 who:

(1) On April 26, 1968, have retired and who were covered under group health plans that by virtue of Public Law 1967, chapter 543 were terminated;

(2) After April 26, 1968, retire and who on the date of their retirement are currently enrolled in this group health plan as employees;

(3) After December 2, 1986, and after reaching normal retirement age, cease to be members of the Legislature and are recipients of retirement allowances from the Maine State Retirement System based upon creditable service as teachers, as defined by section 17001, subsection 42. This paragraph also applies to former members who were members on December 2, 1986;

(4) After December 2, 1986, and not yet normal retirement age, cease to be members of the Legislature and are recipients of retirement allowances from the Maine State Retirement System based upon creditable service as teachers, as defined by section 17001, subsection 42. This paragraph also applies to former members who were members on December 2, 1986; or

(5) After January 1, 1999, terminate employment under which they were eligible for the group health plan but do not retire at that time and who satisfy the requirements of subsection 1-A, paragraph D or paragraph E; and

Sec. 3. 5 MRSA §285, sub-§1, ¶H, as enacted by PL 1997, c. 80, §3, is amended to read:

H. A blind person operating a vending facility pursuant to Title 26, section 1418-F under the direction of the

2 Department of Labor, Division for the Blind and Visually
Impaired.; and

4 **Sec. 4. 5 MRSA §285, sub-§1, ¶I** is enacted to read:

6 I. Any employee of a small employer with 50 or fewer
employees.

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10 **Sec. 5. 5 MRSA §285, sub-§7**, as repealed and replaced by PL
1997, c. 763, §1 and affected by §7, is amended to read:

12 **7. Payment by State.** Except as otherwise provided in this
14 subsection, the State, through the commission, shall pay 100% of
16 only the employee's share of the individual premium for the
18 standard plan identified and offered by the commission and
20 available to the employee as authorized by the commission, except
22 for Legislators, for whom the State shall pay 50% of the health
24 plan premium for dependent coverage. For any person appointed to
26 a position after November 1, 1981 who is employed less than full
28 time, the State shall pay a share of the employee's share reduced
pro rata to reflect the reduced number of work hours. The State
may not pay any portion of the health plan premium for a blind
person eligible for the group health plan under subsection 1,
paragraph H or for an employee of a small employer eligible for
the group health plan under subsection 1, paragraph I. The
health plan premium for an employee of a small employer eligible
for the group health plan under subsection 1, paragraph I may be
paid by the small employer, by a combination of employer and
employee contribution or by the employee.

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32 For persons who were first employed before July 1, 1991, the
34 State shall pay 100% of only the retiree's share of the premiums
36 for the standard plan identified and offered by the commission
and available to the retiree, as authorized by the commission for
persons who were previously eligible for this health plan
pursuant to subsection 1, paragraph A and who have subsequently
become eligible pursuant to subsection 1, paragraph G.

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40 For persons who were first employed by the State after July 1,
42 1991, the State shall pay a pro rata share portion of only the
44 retiree's share of the premiums for the standard plan identified
46 and offered by the commission and available to the retiree, as
authorized by the commission for persons who were previously
eligible for this health plan pursuant to subsection 1, paragraph
A and who have subsequently become eligible pursuant to
subsection 1, paragraph G based on the total number of years of
48 participation in the group health plan prior to retirement as
follows:

50 Years of Participation State Portion

2	10 or more years	100% group health plan premium
4	9 but less than 10 years	90% group health plan premium
6	8 but less than 9 years	80% group health plan premium
8	7 but less than 8 years	70% group health plan premium
10	6 but less than 7 years	60% group health plan premium
12	5 but less than 6 years	50% group health plan premium
14	Less than 5 years	No contribution
16	Pursuant to Title 20-A, section 12722, subsection 5, this subsection applies to participants in the defined contribution plan offered by the Maine Technical College System Board of Trustees under Title 20-A, section 12722.	
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SUMMARY

30 This bill makes employees of small employers with 50 or
32 fewer employees eligible for group health plan coverage under the
34 group plan offered to state employees. The bill requires that the premium for coverage under the plan must be paid by the small employer, by a combination of employer and employee contribution or by the employee.