

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)



120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 816

S.P. 248

In Senate, February 15, 2001

**An Act to Clarify Discounts to Nonsmokers in the Health Insurance
Premium Rates.**

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 NUTTING of Androscoggin.
Cosponsored by Representative MARRACHE of Waterville and
Senators: CATHCART of Penobscot, KILKELLY of Lincoln, MILLS of Somerset,
ROTUNDO of Androscoggin, Representatives: BROOKS of Winterport, DUGAY of
Cherryfield, McKEE of Wayne, TESSIER of Fairfield.

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

2
3 **Sec. 1. 24-A MRSA §2736-C, sub-§2, ¶D**, as amended by PL 1995,
4 c. 177, §1, is further amended to read:

6 D. A carrier may vary the premium rate due to age, ~~smoking~~
7 ~~status~~, occupation or industry, and geographic area only
8 under the following schedule and within the listed
9 percentage bands.

10 (1) For all policies, contracts or certificates that
11 are executed, delivered, issued for delivery, continued
12 or renewed in this State between December 1, 1993 and
13 July 14, 1994, the premium rate may not deviate above
14 or below the community rate filed by the carrier by
15 more than 50%.

16 (2) For all policies, contracts or certificates that
17 are executed, delivered, issued for delivery, continued
18 or renewed in this State between July 15, 1994 and July
19 14, 1995, the premium rate may not deviate above or
20 below the community rate filed by the carrier by more
21 than 33%.

22 (3) For all policies, contracts or certificates that
23 are executed, delivered, issued for delivery, continued
24 or renewed in this State after July 15, 1995, the
25 premium rate may not deviate above or below the
26 community rate filed by the carrier by more than 20%.

27
28
29 **Sec. 2. 24-A MRSA §2736-C, sub-§2, ¶F** is enacted to read:

30
31 F. In addition to any other variance authorized under this
32 subsection, a carrier may vary the premium rate due to
33 smoking status for all policies, contracts or certificates
34 that are executed, delivered, issued for delivery, continued
35 or renewed in this State after the effective date of this
36 paragraph as long as the premium rate does not deviate above
37 or below the community rate filed by the carrier by more
38 than 15%.

39
40
41 **Sec. 3. 24-A MRSA §2808-B, sub-§2, ¶D**, as amended by PL 1997,
42 c. 445, §14 and affected by §32, is further amended to read:

43 D. A carrier may vary the premium rate due to age, ~~smoking~~
44 ~~status~~, occupation or industry, and geographic area only
45 under the following schedule and within the listed
46 percentage bands.

2 (1) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
4 or renewed in this State between July 15, 1993 and July
14, 1994, the premium rate may not deviate above or
6 below the community rate filed by the carrier by more
than 50%.

8 (2) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
10 or renewed in this State between July 15, 1994 and July
14, 1995, the premium rate may not deviate above or
12 below the community rate filed by the carrier by more
than 33%.

14 (3) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
16 or renewed in this State after July 15, 1995, the
premium rate may not deviate above or below the
18 community rate filed by the carrier by more than 20%,
20 except as provided in paragraph D-1.

22 **Sec. 4. 24-A MRSA §2808-B, sub-§2, ¶D-1**, as enacted by PL 1997,
c. 445, §14 and affected by §32, is amended to read:

24 D-1. With respect to eligible groups that employed, on
26 average, 25 to 50 eligible employees in the preceding
calendar year, a carrier may vary the premium rate due to
28 age, ~~smoking-status~~, occupation or industry and geographic
area only under the following schedule and within the listed
30 percentage bands.

32 (1) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
34 or renewed in this State in 1998, the premium rate may
not deviate above or below the community rate filed by
36 the carrier by more than 40%.

38 (2) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
40 or renewed in this State in 1999, the premium rate may
not deviate above or below the community rate filed by
42 the carrier by more than 30%.

44 (3) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
46 or renewed in this State after January 1, 2000, the
premium rate may not deviate above or below the
48 community rate filed by the carrier by more than 20%.

2 **Sec. 5. 24-A MRS §2808-B, sub-§2, ¶G** is enacted to read:

4 G. In addition to any other variance authorized under this
6 subsection, a carrier may vary the premium rate due to
8 smoking status for all policies, contracts or certificates
10 that are executed, delivered, issued for delivery, continued
12 or renewed in this State after the effective date of this
14 paragraph as long as the premium rate does not deviate above
16 or below the community rate filed by the carrier by more
 than 15%.

SUMMARY

 This bill clarifies the ability of insurers to offer premium
discounts based on the smoking status of insureds.