

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 161

S.P. 84

In Senate, January 21, 2003

An Act to Allow Certain Discounts on Health Insurance

Reference to the Committee on Insurance and Financial Services 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 O'NEIL of Saco and
Senator: MAYO of Sagadahoc.

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

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4 **Sec. 1. 24-A MRSA §2736-C, sub-§2, ¶B**, as enacted by PL 1993, c. 477, Pt. C, §1 and affected by Pt. F, §1, is amended to read:

6 B. A carrier may not vary the premium rate due to the
8 gender, ~~health-status~~, claims experience or policy duration
10 of the individual. A carrier may vary the premium rate
12 based on health status only as permitted in paragraph D.

14 **Sec. 2. 24-A MRSA §2736-C, sub-§2, ¶D**, as amended by PL 2001, c. 410, Pt. A, §2 and affected by §10, is further amended to read:

16 D. A carrier may vary the premium rate due to age, health
18 status, occupation or industry and geographic area only
20 under the following schedule and within the listed
22 percentage bands.

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

36 (2) For all policies, contracts or certificates that
38 are executed, delivered, issued for delivery, continued
40 or renewed in this State between July 15, 1994 and July
42 14, 1995, the premium rate may not deviate above or
44 below the community rate filed by the carrier by more
46 than 33%.

48 (3) For all policies, contracts or certificates that
50 are executed, delivered, issued for delivery, continued
52 or renewed in this State after July 15, 1995, the
54 premium rate may not deviate above or below the
56 community rate filed by the carrier by more than 20%
58 except that a carrier may offer an additional discount
60 of up to 20% of the premium rate based on an
62 individual's weight or adherence to a recommended
64 schedule for regular physicals. With respect to weight
66 and regular physicals, the discount must be based on
68 the individual's compliance with the American Medical
70 Association guidelines in effect on the year of
72 application or renewal.

74 **Sec. 3. 24-A MRSA §2808-B, sub-§2, ¶B**, as amended by PL 1993, c. 477, Pt. B, §1 and affected by Pt. F, §1, is further amended to read:

2 B. A carrier may not vary the premium rate due to the
gender, ~~health-status,~~ claims experience or policy duration
4 of the eligible group or members of the group. A carrier
may vary the premium rate based on health status only as
6 permitted in paragraph D.

8 **Sec. 4. 24-A MRSA §2808-B, sub-§2, ¶D,** as amended by PL 2001,
c. 410, Pt. A, §4 and affected by §10, is further amended to read:

10 D. A carrier may vary the premium rate due to age, health
12 status, occupation or industry and geographic area only
under the following schedule and within the listed
14 percentage bands.

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

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

30 (3) For all policies, contracts or certificates that
are executed, delivered, issued for delivery, continued
32 or renewed in this State after July 15, 1995, the
premium rate may not deviate above or below the
34 community rate filed by the carrier by more than 20%,
~~except as provided in paragraph D-1~~ that a carrier may
36 offer an additional discount of up to 20% of the
premium rate based on an individual's weight or
38 adherence to a recommended schedule for regular
physicals. With respect to weight and regular
40 physicals, the discount must be based on the
individual's compliance with the American Medical
42 Association guidelines in effect on the year of
application or renewal.

44 **Sec. 5. 24-A MRSA §2808-B, sub-§2, ¶D-1,** as amended by PL 2001,
46 c. 410, Pt. A, §5 and affected by §10, is repealed.

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SUMMARY

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This bill allows health insurance carriers to offer additional discounts up to 20% based on an individual's weight or adherence to a recommended schedule for regular physicals for individual and small group health insurance policies.

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