

MAINE STATE LEGISLATURE

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L.D. 428

DATE: December 16, 2003

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INSURANCE AND FINANCIAL SERVICES

Reported by: MINORITY

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**STATE OF MAINE
SENATE
121ST LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 146, L.D. 428, Bill, "An Act To Eliminate the Department of Professional and Financial Regulation, Bureau of Insurance Travel Restrictions for Obtaining Health Care"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

Sec. 1. 24-A MRSA §4203, sub-§3, ¶S, as amended by PL 2003, c. 469, Pt. E, §18, is further amended to read:

S. A list of the names and addresses of all physicians and facilities with which the health maintenance organization has or will have agreements. If products are offered that pay full benefits only when providers within a subset of the contracted physicians or facilities are utilized, a list of the providers in that limited network must be included, as well as a list of the geographic areas where the products are offered. This paragraph may not be construed to prohibit a health maintenance organization from offering a health plan that includes financial provisions designed to encourage members to use designated providers in a network in accordance with section 4303, subsection 1, paragraph A as long as the entire network meets overall geographic access standards of any applicable bureau rule.

Sec. 2. 24-A MRSA §4303, sub-§1, as amended by PL 2003, c. 469, Pt. E, §20, is further amended to read:

1. Demonstration of adequate access to providers. Except as provided in paragraph A, a carrier offering a managed care plan shall provide to its members reasonable access to health care services in accordance with standards developed by rule by

the superintendent. These standards must consider the geographical and transportation problems in rural areas. All managed care plans covering residents of this State must provide reasonable access to providers consistent with the access-to-services requirements of any applicable bureau rule. This subsection may not be construed to prohibit a carrier offering a managed care plan from offering a plan that includes financial provisions designed to encourage members to use designated providers in a network as long as the entire network meets overall geographic access standards of any applicable bureau rule.

~~A. -- Upon approval of the superintendent, a carrier may offer a health plan that includes financial provisions designed to encourage members to use designated providers in a network if:~~

~~(1) -- The entire network meets overall access standards pursuant to Bureau of Insurance Rule Chapter 850;~~

~~(2) -- The health plan is consistent with product design guidelines for Bureau of Insurance Rule Chapter 750;~~

~~(3) -- The health plan does not include financial provisions designed to encourage members to use designated providers of primary, preventive, maternity, obstetrical, ancillary or emergency care services, as defined in Bureau of Insurance Rule Chapter 850;~~

~~(4) -- The financial provisions may apply to all of the enrollees covered under the carrier's health plan;~~

~~(5) -- The carrier establishes to the satisfaction of the superintendent that the financial provisions permit the provision of better quality services and the quality improvements either significantly outweigh any detrimental impact to covered persons forced to travel longer distances to access services, or the carrier has taken steps to effectively mitigate any detrimental impact associated with requiring covered persons to travel longer distances to access services. The superintendent may consult with other state entities, including the Department of Human Services, Bureau of Health and the Maine Quality Forum established in section 6951, to determine whether the carrier has met the requirements of this subparagraph. The superintendent shall provisionally adopt rules by January 1, 2004 regarding the criteria used by the superintendent to determine whether the carrier meets the quality requirements of this subparagraph and~~

2 ~~present those rules for legislative review during the~~
~~Second Regular Session of the 121st Legislature, and~~

4 ~~(6) The financial provisions may not permit travel at~~
~~a distance that exceeds the standards established in~~
6 ~~Bureau of Insurance Rule Chapter 850 for mileage and~~
~~travel time by 100%.~~

8 ~~This paragraph takes effect January 1, 2004 and is repealed~~
10 ~~July 1, 2007.~~

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SUMMARY

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16 This amendment is the minority report of the committee. The
18 amendment replaces the bill and repeals the changes made to the
20 geographic access standards in the Dirigo Health law, Public Law
22 2003, chapter 469. The amendment clarifies that the geographic
24 access standards for managed care plans under the Maine Insurance
Code and Bureau of Insurance Rule Chapter 850 do not prohibit
health insurers and health maintenance organizations from
developing health plans that give financial incentives to
enrollees who elect to use certain designated providers in a
health plan's provider network.