

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 1490

H.P. 1047

House of Representatives, March 28, 2005

An Act To Create a Nonprofit State-run Insurance Plan

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative CANAVAN of Waterville.
Cosponsored by Senator COWGER of Kennebec and
Representatives: BRAUTIGAM of Falmouth, BURNS of Berwick, CRAVEN of Lewiston,
NORTON of Bangor, O'BRIEN of Lewiston, PELLETIER-SIMPSON of Auburn, SAMPSON
of Auburn, WALCOTT of Lewiston.

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

2 **Sec. 1. 24-A MRSA §6910, sub-§2,** as enacted by PL 2003, c.
4 469, Pt. A, §8, is amended to read:

6 **2. Legislative approval of nonprofit health care plan or**
7 **expansion of public plan.** ~~If health insurance carriers do not~~
8 ~~apply to offer and deliver Dirigo Health Insurance, the~~ The board
9 may have Dirigo Health provide access to health insurance by
10 proposing the establishment of a nonprofit health care plan
11 organized under Title 13-B and authorized pursuant to Title 24,
12 chapter 19 or by proposing the expansion of an existing public
13 plan. If the board proposes the establishment of a nonprofit
14 health care plan or the expansion of an existing public plan, the
15 board shall submit its proposal, including, but not limited to, a
16 funding mechanism to capitalize a nonprofit health care plan and
17 any recommended legislation to the joint standing committee of
18 the Legislature having jurisdiction over health insurance
19 matters. Dirigo Health may not provide access to health insurance
20 by establishing a nonprofit health care plan or through an
21 existing public plan without specific legislative approval.

22 **Sec. 2. Propose establishment of nonprofit health plan.** The Board
23 of Directors of Dirigo Health, established in the Maine Revised
24 Statutes, Title 24-A, section 6904, shall propose the
25 establishment of a nonprofit health care plan organized under
26 Title 13-B and authorized pursuant to Title 24, chapter 19 that
27 would offer consumers moderately priced insurance products under
28 Dirigo Health as an alternative to those currently offered
29 through an existing public plan. Notwithstanding Title 24-A,
30 section 6910, subsection 2, the board shall submit its proposal,
31 including, but not limited to, a funding mechanism to capitalize
32 the proposed nonprofit health care plan and any recommended
33 legislation to the joint standing committee of the Legislature
34 having jurisdiction over health and human services matters.

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37
38 **SUMMARY**

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40 This bill directs the Board of Directors of Dirigo Health to
41 propose the establishment of a nonprofit health care plan that
42 would offer consumers moderately priced insurance products under
43 Dirigo Health as an alternative to those currently offered
44 through an existing public plan. The bill directs the board to
45 submit its proposal, including, but not limited to, a funding
46 mechanism to capitalize the proposed nonprofit health care plan
47 and any recommended legislation to the joint standing committee
48 of the Legislature having jurisdiction over health and human
services matters.