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Date: 5/14/7

3	INSURANCE AND FINANCIAL SERVICES
4	Reproduced and distributed under the direction of the Clerk of the House.
5	STATE OF MAINE
6	HOUSE OF REPRESENTATIVES
7	123RD LEGISLATURE
8	FIRST REGULAR SESSION
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INCLUDANCE AND EINANCIAL SEDVICES

COMMITTEE AMENDMENT "A" to H.P. 1053, L.D. 1503, Bill, "An Act To 9 Clarify and Update the Laws Related to Health Insurance" 10

11 Amend the bill by inserting after the title and before the enacting clause the 12 following:

13 'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and 14

15 Whereas, this legislation extends the provision permitting health insurance carriers to offer financial incentives to enrollees to use designated health care providers under a 16 17 health plan; and

18 Whereas, if this Legislature does not act that provision will be repealed July 1, 19 2007; and

20 Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as 21 immediately necessary for the preservation of the public peace, health and safety; now, 22 23 therefore.'

24 Amend the bill in Part B in section 5 in subsection 1 in the last blocked paragraph 25 (page 5, line 20 in L.D.) by striking out the following "2007" and inserting the following: '2007 2009' 26

27 Amend the bill in Part C by striking out all of section 1 (page 10, line 40 and page 11, 28 lines 1 and 2 in L.D.) and inserting the following:

29 'Sec. C-1. 24-A MRSA §2850-B, sub-§3, ¶D, as enacted by PL 1997, c. 445, §30 and affected by §32, is amended to read: 30

31 D. In the large or small group market, for noncompliance with the carrier's 32 minimum participation requirements that, which may not exceed 75% the 33 participation requirement when the policy was issued;

Page 1- 123LR0517(02)-1

COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to H.P. 1053, L.D. 1503

Rd^{G.}

Sec. C-2. 24-A MRSA §2850-B, sub-§3, ¶F-1 is enacted to read:

F-1. When the carrier ceases offering individual health plans in compliance with

section 2736-C, subsection 4 and does not renew any existing policies in that

4 <u>market;</u>'

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5 Amend the bill in Part F in section 1 in subsection 1-B in the 2nd line (page 13, line 5 6 in L.D.) by inserting after the following: "policyholders" the following: ',' and in the 3rd 7 line (page 13, line 6 in L.D.) by inserting after the following: "subsection 1-A" the 8 following: ','

9 Amend the bill by adding before the summary the following:

10 'Emergency clause. In view of the emergency cited in the preamble, this 11 legislation takes effect when approved.'

SUMMARY

This amendment clarifies the law relating to participation requirements at renewal of a policy to make it consistent with the law relating to participation requirements at the time a policy is issued. The amendment extends for 2 years the provision allowing financial incentives under Bureau of Insurance Rule Chapter 850. The amendment also corrects grammatical and punctuation errors.

FISCAL NOTE REQUIRED (See attached)

Page 2- 123LR0517(02)-1

COMMITTEE AMENDMENT



123rd MAINE LEGISLATURE

LD 1503

LR 517(02)

An Act To Clarify and Update the Laws Related to Health Insurance

Fiscal Note for Bill as Amended by Committee Amendment "A" Committee: Insurance and Financial Services Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Any additional costs to the Bureau of Insurance in the Department of Professional and Financial Regulation in implementing this bill can be absorbed by the bureau utilizing existing budget resources.