## MAINE STATE LEGISLATURE

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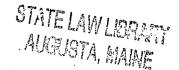
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## 124th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2009

Legislative Document

No. 392

S.P. 134

In Senate, February 5, 2009

An Act To Reduce Minimum Participation to 60% for Group Health Insurance

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

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator PLOWMAN of Penobscot.

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Cosponsored by Senators: BOWMAN of York, McCORMICK of Kennebec, RAYE of Washington, Representatives: BICKFORD of Auburn, FOSSEL of Alna, WEAVER of York.

## 1 Be it enacted by the People of the State of Maine as follows: 2 Sec. 1. 24-A MRSA §2808-B, sub-§4, ¶A, as corrected by RR 2001, c. 1, §32, is 3 amended to read: 4 A. Any small group health plan offered to any eligible group or subgroup must be 5 offered to all eligible groups that meet the carrier's minimum participation requirements, which may not exceed 75% 60%, to all eligible employees and their 6 7 dependents in those groups. In determining compliance with minimum participation requirements, eligible employees and their dependents who have existing health care 8 9 coverage may not be considered in the calculation. If an employee declines coverage 10 because the employee has other coverage, any dependents of that employee who are not eligible under the employee's other coverage are eligible for coverage under the 11 small group health plan. A carrier may deny coverage under a managed care plan, as 12 13 defined by section 4301-A: 14 (1) To employers who have no employees who live, reside or work within the 15 approved service area of the plan; and To employers if the carrier has demonstrated to the superintendent's 16 17 satisfaction that: 18 (a) The carrier does not have the capacity to deliver services adequately to 19 additional enrollees within all or a designated part of its service area because 20 of its obligations to existing enrollees; and 21 (b) The carrier is applying this provision uniformly to individuals and groups 22 without regard to any health-related factor. 23 A carrier that denies coverage in accordance with this subparagraph may not 24 enroll individuals residing within the area subject to denial of coverage, or groups 25 or subgroups within that area for a period of 180 days after the date of the first 26 denial of coverage. 27 SUMMARY 28 Under current law, a carrier's minimum participation requirements for a small group 29 health plan may not exceed 75%. This bill reduces the minimum participation 30 requirement to 60%.