

MAINE STATE LEGISLATURE

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Date: 2/25/10 Majority

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INSURANCE AND FINANCIAL SERVICES

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 313, L.D. 425, Bill, "An Act To Require Private Insurance Coverage for Certain Services for Children with Disabilities"

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

'Sec. 1. 24 MRSA §2317-B, sub-§12-F is enacted to read:

12-F. Title 24-A, section 2766, 2847-R and 4258. Coverage for children's early intervention services, Title 24-A, sections 2766, 2847-R and 4258;

Sec. 2. 24-A MRSA §2766 is enacted to read:

§2766. Coverage for children's early intervention services

1. Definition. For purposes of this section, "children's early intervention services" means services provided by licensed occupational therapists, physical therapists, speech-language pathologists or clinical social workers working with children from birth to 36 months of age with an identified developmental disability or delay as described in the federal Individuals with Disabilities Education Act, Part C, 20 United States Code, Section 1411, et seq.

2. Required coverage. All individual health insurance policies, contracts and certificates must provide coverage for children's early intervention services in accordance with this subsection.

A. A referral from the child's primary care provider is required.

B. The policy, contract or certificate may limit coverage to \$3,200 per year for each child not to exceed \$9,600 by the child's 3rd birthday.

C. The policy, contract or certificate may contain provisions for maximum benefits and coinsurance and reasonable limitations, deductibles and exclusions to the extent that these provisions are not inconsistent with the requirements of this section.

Sec. 3. 24-A MRSA §2847-R is enacted to read:

COMMITTEE AMENDMENT

1 **§2847-R. Coverage for children's early intervention services**

2 **1. Definition.** For purposes of this section, "children's early intervention services"
3 means services provided by licensed occupational therapists, physical therapists, speech-
4 language pathologists or clinical social workers working with children from birth to 36
5 months of age with an identified developmental disability or delay as described in the
6 federal Individuals with Disabilities Education Act, Part C, 20 United States Code,
7 Section 1411, et seq.

8 **2. Required coverage.** All group health insurance policies, contracts and
9 certificates must provide coverage for children's early intervention services in accordance
10 with this subsection.

11 A. A referral from the child's primary care provider is required.

12 B. The policy, contract or certificate may limit coverage to \$3,200 per year for each
13 child not to exceed \$9,600 by the child's 3rd birthday.

14 C. The policy, contract or certificate may contain provisions for maximum benefits
15 and coinsurance and reasonable limitations, deductibles and exclusions to the extent
16 that these provisions are not inconsistent with the requirements of this section.

17 **Sec. 4. 24-A MRSA §4258** is enacted to read:

18 **§4258. Coverage for children's early intervention services**

19 **1. Definition.** For purposes of this section, "children's early intervention services"
20 means services provided by licensed occupational therapists, physical therapists, speech-
21 language pathologists or clinical social workers working with children from birth to 36
22 months of age with an identified developmental disability or delay as described in the
23 federal Individuals with Disabilities Education Act, Part C, 20 United States Code,
24 Section 1411, et seq.

25 **2. Required coverage.** All individual and group health maintenance organization
26 policies, contracts and certificates must provide coverage for children's early intervention
27 services in accordance with this subsection.

28 A. A referral from the child's primary care provider is required.

29 B. The policy, contract or certificate may limit coverage to \$3,200 per year for each
30 child not to exceed \$9,600 by the child's 3rd birthday.

31 C. The policy, contract or certificate may contain provisions for maximum benefits
32 and coinsurance and reasonable limitations, deductibles and exclusions to the extent
33 that these provisions are not inconsistent with the requirements of this section.

34 **Sec. 5. Application.** This Act applies to health insurance policies, contracts and
35 certificates executed, delivered, issued for delivery, continued or renewed in this State on
36 or after January 1, 2011. For purposes of this Act, all contracts are deemed to be renewed
37 no later than the next yearly anniversary of the contract date.'

SUMMARY

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This amendment changes the application clause of the bill so it will apply to all individual and group health insurance policies, contracts and certificates issued or renewed on or after January 1, 2011.

This amendment also reallocates the statutory provisions contained in the bill.

FISCAL NOTE REQUIRED
(See attached)



124th MAINE LEGISLATURE

LD 425

LR 962(02)

An Act To Require Private Insurance Coverage for Certain Services for Children with Disabilities

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

Fiscal Note

Potential future biennium cost increase - All Funds
Potential future biennium savings - General Fund
Potential future biennium savings - Federal Funds

Fiscal Detail and Notes

Assumes requiring individual and group health insurance policies and health maintenance organization contracts to provide coverage for early intervention services for children from birth to 3 years of age up to \$3,200 per year per child up to a maximum of \$9,600 by the child's 3rd birthday would result in potential costs to the State Employee Health Benefit Plan and potential savings to the MaineCare program in the Department of Health and Human Services and to the Child Development Services program in the Department of Education. Given the bill as amended would apply to policies and contracts issued or renewed on or after January 1, 2011, any costs or savings to State programs are expected to be minor for the current biennium.

Estimates of the potential future biennium cost to the State Employee Health Benefit Plan are consistent with the Bureau of Insurance report to the Insurance and Financial Services Committee that estimated a cost of \$0.22 per member per month, resulting in a total estimated annual cost to the plan of \$84,500, with a resulting General Fund impact of approximately \$31,900 per year and a Highway Fund impact of approximately \$12,400 per year.

Preliminary estimates of the potential future biennium savings to the MaineCare program range from the \$250,000 per year included in the Bureau of Insurance report to approximately \$300,000 per year based on Department of Health and Human services estimates, with the resulting savings to the General Fund in the range of \$90,500 to \$108,600 per year (assuming a 63.80% federal match).

Potential future biennium savings to the Child Development Services program in the Department of Education cannot be determined.