

MAINE STATE LEGISLATURE

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(Filing No. H-288)

INSURANCE AND FINANCIAL SERVICES

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

COMMITTEE AMENDMENT "A" to H.P. 821, L.D. 1180, Bill, "An Act To Clarify and Update the Laws Related to Life and Health Insurance"

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

'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and**Whereas,** the American Recovery and Reinvestment Act of 2009 provides health insurance premium assistance to persons laid off on or after September 1, 2008 and eligible for continuation of health insurance coverage under state law; and**Whereas,** persons eligible for continuation of health insurance coverage under state law must be provided a 2nd election period to qualify for premium assistance through the American Recovery and Reinvestment Act of 2009; and**Whereas,** this bill provides that 2nd election period to conform to federal law; and**Whereas,** immediate enactment of this Act is necessary to allow laid off employees the opportunity to elect to continue coverage and qualify for premium assistance; and**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 immediately necessary for the preservation of the public peace, health and safety; now, therefore,'

Amend the bill in Part C by striking out all of section 5 (page 3, lines 11 to 23 in L.D.)

Amend the bill in Part E in section 1 in §2834-C in subsection 1 in the 3rd line (page 5, line 23 in L.D.) by striking out the following: "specified accident" and inserting the following: 'accidental injury'

Amend the bill in Part G by striking out all of section 1 (page 7, lines 25 to 37 in L.D.) and inserting the following:

1 **Sec. G-1. 24-A MRSA §2736, sub-§1**, as amended by PL 2003, c. 428, Pt. F,
2 §2, is further amended to read:

3 **1. Filing of rate information.** Every insurer shall file ~~with~~ for approval by the
4 superintendent every rate, rating formula, classification of risks and every modification of
5 any formula or classification that it proposes to use in connection with individual health
6 insurance policies and certain group policies specified in section 2701. Every such filing
7 must state the effective date of the filing. Every such filing must be made not less than
8 60 days in advance of the stated effective date, unless the 60-day requirement is waived
9 by the superintendent, and the effective date may be suspended by the superintendent for
10 a period of time not to exceed 30 days. ~~In the case of a filing that meets the criteria in~~
11 ~~subsection 3, the superintendent may suspend the effective date for a longer period not to~~
12 ~~exceed 30 days from the date the organization satisfactorily responds to any reasonable~~
13 ~~discovery requests.~~

14 Amend the bill by inserting after Part I the following:

15 **'PART J**

16 **Sec. J-1. Second election period.** A person who was eligible for continuation of
17 coverage under a group health insurance policy pursuant to the Maine Revised Statutes,
18 Title 24-A, section 2809-A, subsection 11 is eligible for a 2nd election period if:

19 1. The covered employee was temporarily laid off on or after September 1, 2008, but
20 not more than 30 days after the effective date of this Act;

21 2. The person did not elect to continue coverage or elected to continue coverage but
22 was no longer enrolled as of the date of the notice required by section 2 of this Part; and

23 3. Election of coverage under this section qualifies the person for premium
24 assistance under the American Recovery and Reinvestment Act of 2009.

25 The 2nd election period begins on the effective date of this Act and ends 60 days
26 after the notice required by section 2 of this Part is mailed to the employee. Coverage
27 elected under this provision begins on the date of application and terminates 9 months
28 later unless terminated sooner because the person fails to make timely payment of a
29 required premium amount or because the person becomes eligible for coverage under
30 another group policy or under Medicare.

31 **Sec. J-2. Notice requirement.** Insurers and health maintenance organizations
32 that provide group health insurance policies subject to the requirements of the Maine
33 Revised Statutes, Title 24-A, section 2809-A, subsection 11 must provide notice, as
34 required by the American Recovery and Reinvestment Act of 2009, Section
35 3001(a)(7)(A)(ii), by first-class mail in a form specified by the Superintendent of
36 Insurance to eligible employees whose coverage terminated or terminates between
37 September 1, 2008 and December 31, 2009.

38 **Sec. J-3. Preexisting conditions.** Coverage issued pursuant to the 2nd election
39 period specified in section 1 of this Part may not exclude coverage for preexisting
40 conditions regardless of whether the break in coverage exceeds the limit specified in the
41 Maine Revised Statutes, Title 24-A, section 2849-B, subsection 2, paragraph B.

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(See attached)



124th MAINE LEGISLATURE

LD 1180

LR 521(02)

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

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Insurance and Financial Services

Fiscal Note Required: No

Fiscal Note

No fiscal impact

Fiscal Detail and Notes

The proposed changes would have no direct fiscal impact on State agencies or programs.