

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

SECOND REGULAR SESSION-2010

Legislative Document

No. 1769

H.P. 1259

House of Representatives, February 4, 2010

An Act To Extend Access to Federal Health Insurance Premium Assistance

(EMERGENCY)

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative TREAT of Hallowell. (GOVERNOR'S BILL)
Cosponsored by Senator BOWMAN of York.

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

3 **Whereas,** the American Recovery and Reinvestment Act of 2009 provided health
4 insurance premium assistance for a period of 9 months to persons laid off from
5 September 1, 2008 to December 31, 2009 and eligible for continuation of health
6 insurance coverage under state law; and

7 **Whereas,** persons eligible for continuation of health insurance coverage under state
8 law must be provided a 2nd election period to qualify for premium assistance through the
9 American Recovery and Reinvestment Act of 2009; and

10 **Whereas,** Public Law 2009, chapter 244, Part J, section 1 provided a 2nd election
11 period to conform to federal law; and

12 **Whereas,** the federal Department of Defense Appropriations Act, 2010 extends the
13 eligibility period for the premium assistance for an additional 2 months through February
14 28, 2010 and extends premium assistance to 15 months; and

15 **Whereas,** immediate enactment of this Act is necessary to allow laid-off employees
16 who receive premium assistance to qualify for the extended premium assistance; and

17 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
18 the meaning of the Constitution of Maine and require the following legislation as
19 immediately necessary for the preservation of the public peace, health and safety; now,
20 therefore,

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

22 **Sec. 1. Extension of current coverage.** Insurers and health maintenance
23 organizations that issued health insurance coverage during a 2nd election period required
24 by Public Law 2009, chapter 244, Part J, section 1 and that included a 9-month coverage
25 limit as required by that section shall extend that coverage by eliminating the 9-month
26 limit. Such coverage may not be terminated except as provided by the Maine Revised
27 Statutes, Title 24-A, section 2809-A, subsection 11, paragraphs F and G.

28 **Sec. 2. Notice requirement.** Insurers and health maintenance organizations that
29 provide group health insurance policies subject to the requirements of the Maine Revised
30 Statutes, Title 24-A, section 2809-A, subsection 11 shall provide notice, as required by
31 Sections 3001(a)(7)(A)(ii) and 300(a)(16)(D)(i) of the American Recovery and
32 Reinvestment Act of 2009 as amended by the federal Department of Defense
33 Appropriations Act, 2010, Section 1010. The notice must be provided by first-class mail
34 in a form acceptable to the Superintendent of Insurance to eligible employees whose
35 coverage terminated or terminates between September 1, 2008 and February 28, 2010 or
36 any later date as provided by that section of this Act relating to future extensions.

37 **Sec. 3. Future extensions.** If the Superintendent of Insurance determines that the
38 American Recovery and Reinvestment Act of 2009 is amended to extend premium

1 assistance to individuals whose coverage terminates after February 28, 2010, the
2 requirements of section 2 apply to those individuals.

3 **Emergency clause.** In view of the emergency cited in the preamble, this
4 legislation takes effect when approved.

5 SUMMARY

6 The American Recovery and Reinvestment Act of 2009 provided help to people who
7 lost their jobs from September 1, 2008 to December 31, 2009 by paying 65% of their so-
8 called COBRA health insurance coverage for a period of 9 months from the time they
9 were terminated. Public Law 2009, chapter 244, Part J provided a 2nd election period
10 for certain workers who had declined coverage referred to as Mini-COBRA coverage
11 before the federal subsidies were available. The United States Congress recently passed
12 an extension of the COBRA coverage provisions, extending the job termination date for
13 eligibility for the subsidies from December 31, 2009 to February 28, 2010 and the
14 COBRA 65% assistance from 9 months to 15 months. This bill extends the coverage
15 period consistent with federal law for those workers who enrolled in Mini-COBRA
16 during the 2nd election period.