

MAINE STATE LEGISLATURE

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L.D. 404

Date: 5/17/11

(Filing No. H-262)

Majority

EDUCATION AND CULTURAL AFFAIRS

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
125TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 322, L.D. 404, Bill, "An Act To Assist School Administrative Units in Providing Health Insurance to Their Employees"

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

Sec. 1. 20-A MRSA §1001, sub-§14, ¶D is enacted to read:

D. In order to facilitate the competitive bidding process in procuring health insurance for a school administrative unit's employees under this subsection, the administrator for an individual school plan or for a group plan for a multiple-school group shall seek and obtain competitive bids through a request for proposal process from qualified insurers at least once every 5 years commencing July 1, 2012. The administrator for any such group plan shall make the request for proposal responses available to requesting school administrative units, excluding any portions of the request for proposal responses considered to be confidential proprietary information by the submitting insurers. If any such individual school plan or group plan is subsequently self-insured, in whole or in part, the school board shall compare the overall cost of such a self-insured plan, including projected claims, all administrative expenses and reinsurance expenses, to the cost of insured products at least once every 5 years commencing July 1, 2012.

Sec. 2. Voluntary employee benefits trust; low-cost plan. The voluntary employee benefits trust established pursuant to the federal Employee Retirement Income Security Act of 1974, 29 United States Code, Sections 1001 to 1461 (1988) by a statewide education association shall review and consider creating a new benefits option with a lower premium rate for the plan year starting July 1, 2012 or a subsequent plan year.

Sec. 3. Voluntary employee benefits trust; board of trustees appointment. The voluntary employee benefits trust established pursuant to the federal Employee Retirement Income Security Act of 1974, 29 United States Code, Sections 1001 to 1461 (1988) by a statewide education association shall include a representative appointed by

COMMITTEE AMENDMENT

H. W. S.

COMMITTEE AMENDMENT "A" to H.P. 322, L.D. 404

1 the Maine School Boards Association to serve as a member of the trust's board of trustees
2 no later than January 1, 2012.'

3 **SUMMARY**

4 This amendment is the majority report of the Joint Standing Committee on Education
5 and Cultural Affairs. The amendment replaces the bill.

6 1. It requires the administrator of an individual school health plan or a group plan
7 covering a multiple-school group to seek competitive bids at least once every 5 years.
8 The amendment requires that the administrator of any such group plan must make the
9 competitive bids available to individual school administrative units upon request.

10 2. In recognition of the fact that the premium rates for the plan year starting July 1,
11 2011 have already been set, the amendment requires the Maine Education Association
12 Benefits Trust to review the current benefits option and consider creating a new benefits
13 option with a lower premium rate for the 2012 plan year or a subsequent plan year.

14 3. It requires the Maine Education Association Benefits Trust to include a
15 representative appointed by the Maine School Boards Association to serve as a member
16 of the board of trustees of the trust no later than January 1, 2012.