

# MAINE STATE LEGISLATURE

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Date: 6-14-11

(Filing No. S-305)

INSURANCE AND FINANCIAL SERVICES

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

125TH LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 515, L.D. 1580, Bill, "An Act To Further Improve Maine's Health Insurance Law"

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

'Sec. 1. 24-A MRSA §3957, sub-§2, as enacted by PL 2011, c. 90, Pt. B, §8, is amended to read:

2. Maximum assessment. The board shall assess each insurer an amount not to exceed \$4 per month per covered person enrolled in medical insurance insured, reinsured or administered by the insurer. An insurer may not be assessed on policies or contracts insuring federal or state employees except for policies or contracts insuring Legislators and their dependents. For policies or contracts insuring Legislators and their dependents, Legislators shall pay the amount of the assessment to the insurer.

Sec. 2. 24-A MRSA §3957, sub-§5, ¶D is enacted to read:

D. An insurer may not be assessed on policies or contracts insuring federal or state employees, except for policies or contracts insuring Legislators and their dependents. Any assessment required under this subsection on policies or contracts insuring Legislators and their dependents must be paid as provided in subsection 2.

Sec. 3. Payroll deduction. In consultation with the Legislative Council and the insurer or 3rd-party administrator for the group health plan provided in accordance with the Maine Revised Statutes, Title 5, section 285, the State shall collect any assessment required to be paid by Legislators pursuant to Title 24-A, section 6957, subsection 2 or subsection 5 through payroll deduction.'

SUMMARY

This amendment replaces the bill. The amendment amends the law regarding rating practices for individual and small group health plans to remove the exemption from assessment for Legislators and their dependents, thus requiring insurers to pay an

COMMITTEE AMENDMENT

1 assessment for administrative costs of up to \$4 per month per person for policies insuring  
2 Legislators and their dependents and potential assessments of up to \$2 per month to cover  
3 any net loss. The amendment provides that Legislators shall pay for the amount of  
4 assessments and requires the assessments to be collected through payroll deduction.

5 **FISCAL NOTE REQUIRED**

6  
7 (See attached)

8



# 125th MAINE LEGISLATURE

LD 1580

LR 2173(03)

**An Act To Further Improve Maine's Health Insurance Law**

**Fiscal Note for Bill as Amended by Committee Amendment "A" S-305**

**Committee: Insurance and Financial Services**

**Fiscal Note Required: Yes**

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## Fiscal Note

Minor cost increase - General Fund

### Fiscal Detail and Notes

The Office of the State Controller and the Legislature will incur some minor additional administrative costs to implement a payroll deduction for Legislators. These minor costs can be absorbed within existing budgeted resources.