

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 1587

H.P. 1185

House of Representatives, June 16, 2011

An Act To Provide Further Improvements to Maine's Health Insurance Law

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

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

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

Presented by Representative RICHARDSON of Warren.
Cosponsored by Senator WHITTEMORE of Somerset.

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

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

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

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

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

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

20 **SUMMARY**

21 The bill amends the law regarding rating practices for individual and small group
22 health plans to remove the exemption from assessment for Legislators and their
23 dependents, thus requiring insurers to pay an assessment for administrative costs of up to
24 \$4 per month per person for policies insuring Legislators and their dependents and
25 potential assessments of up to \$2 per month to cover any net loss. The amendment
26 provides that Legislators shall pay for the amount of assessments and requires the
27 assessments to be collected through payroll deduction.