

# MAINE STATE LEGISLATURE

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DMC  
ROFS

L.D. 161

Date: 5/31/13

(Filing No. H-288)

Majority

**INSURANCE AND FINANCIAL SERVICES**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
126TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 136, L.D. 161, Bill, "An Act To Prohibit a Health Insurance Carrier from Establishing a Separate Premium Rate Based on Geographic Area"

Amend the bill by striking out the title and substituting the following:

**'An Act To Restrict a Health Insurance Carrier to Rating on the Basis of One Geographic Area'**

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

**'Sec. 1. 24-A MRSA §2736-C, sub-§2, ¶C-1,** as enacted by PL 2011, c. 90, Pt. A, §2, is amended to read:

C-1. A carrier may vary the premium rate due to geographic area in accordance with the limitation set out in this paragraph. For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State on or after July 1, 2012 and until December 31, 2014, the rating factor used by a carrier for geographic area may not exceed 1.5. For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2015, a carrier may use only one rating area based on geography within the State.

**Sec. 2. 24-A MRSA §2808-B, sub-§2, ¶C-1,** as enacted by PL 2011, c. 90, Pt. A, §7, is amended to read:

C-1. A carrier may vary the premium rate due to geographic area in accordance with the limitation set out in this paragraph. For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State on or after October 1, 2011 and until December 31, 2014, the rating factor used by a carrier for geographic area may not exceed 1.5. For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2015, a carrier may use only one rating area based on geography within the State.'

**COMMITTEE AMENDMENT**

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**SUMMARY**

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This amendment is the majority report of the committee and replaces the bill. The amendment requires health insurance carriers to use only one rating area based on geography within the State when establishing rates for individual and small group health plans issued or renewed on or after January 1, 2015.