

# MAINE STATE LEGISLATURE

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# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

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Legislative Document

No. 1176

S.P. 413

In Senate, March 26, 2013

**An Act To Require Health Insurers To Use One Geographic Area as Permitted by the Federal Patient Protection and Affordable Care Act**

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

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator GRATWICK of Penobscot.  
Cosponsored by Representative SANBORN of Gorham and  
Senators: CRAVEN of Androscoggin, LACHOWICZ of Kennebec, Representatives: DOAK of  
Columbia Falls, MAKER of Calais, PRINGLE of Windham, SHAW of Standish, TURNER of  
Burlington, WALLACE of Dexter.

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

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

4 C-1. A carrier may vary the premium rate due to geographic area in accordance with  
5 the limitation set out in this paragraph. For all policies, contracts or certificates that  
6 are executed, delivered, issued for delivery, continued or renewed in this State on or  
7 after July 1, 2012 until December 31, 2013, the rating factor used by a carrier for  
8 geographic area may not exceed 1.5. For all policies, contracts or certificates that are  
9 executed, delivered, issued for delivery, continued or renewed in this State on or after  
10 January 1, 2014, a carrier may use only one rating area based on geography within  
11 the State.

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

14 C-1. A carrier may vary the premium rate due to geographic area in accordance with  
15 the limitation set out in this paragraph. For all policies, contracts or certificates that  
16 are executed, delivered, issued for delivery, continued or renewed in this State on or  
17 after October 1, 2011 until December 31, 2013, the rating factor used by a carrier for  
18 geographic area may not exceed 1.5. For all policies, contracts or certificates that are  
19 executed, delivered, issued for delivery, continued or renewed in this State on or after  
20 January 1, 2014, a carrier may use only one rating area based on geography within  
21 the State.

22 **SUMMARY**

23 As permitted by the federal Patient Protection and Affordable Care Act, this bill  
24 requires health insurance carriers to use only one rating area based on geography within  
25 the State when establishing rates for individual and small group health plans issued or  
26 renewed on or after January 1, 2014.