

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 368

S.P. 109

In Senate, January 24, 2019

An Act To Redefine Geographic Association for Multiple-employer Welfare Arrangements

Reference to the Committee on Health Coverage, 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 FOLEY of York.
Cosponsored by Representative PERKINS of Oakland and
Senators: CARSON of Cumberland, GUERIN of Penobscot, SANBORN, H. of Cumberland,
Representatives: CAMPBELL of Orrington, PRESCOTT of Waterboro, SWALLOW of
Houlton, TUELL of East Machias.

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

2 **Sec. 1. 24-A MRSA §6603, sub-§1-A**, as enacted by PL 2001, c. 570, §2, is
3 amended to read:

4 **1-A. Eligibility based on geographic association.** To meet the requirements for
5 approval and to maintain a multiple-employer welfare arrangement, an arrangement
6 based on geographic association:

7 A. Must be established by an association with a principal office ~~in a location within a~~
8 ~~40-mile radius of the principal place of business of eligible employers~~ located in the
9 State;

10 B. Must permit eligibility for an employer that has employed an average of 100 or
11 fewer full-time employees during the preceding calendar year, more of whom are
12 employed in this State than any other state, and for an employer that is a licensed
13 nonprofit hospital ~~if the employer or hospital is located within a 40-mile radius of the~~
14 ~~association~~;

15 C. May establish eligibility standards for membership in the association, except that
16 an association may not deny eligibility to an otherwise eligible employer or hospital
17 on the basis of health status or claims experience; and

18 D. Must meet the requirements for approval in subsection 1, except as provided in
19 subsection 1, paragraphs B and D.

20 **SUMMARY**

21 This bill replaces the requirement that a multiple-employer welfare arrangement
22 based on geographic association must be established by an association with a principal
23 office in a location within a 40-mile radius of the principal place of business of eligible
24 employers with a requirement that the arrangement must be established by an association
25 with a principal office located in the State.