



126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1167

S.P. 404

In Senate, March 26, 2013

An Act Regarding the Maine Guaranteed Access Reinsurance Association

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 WHITTEMORE of Somerset.
Cosponsored by Representative TREAT of Hallowell and
Senators: CUSHING of Penobscot, WOODBURY of Cumberland, Representatives: DOAK of
Columbia Falls, FITZPATRICK of Houlton.

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

2 **Sec. 1. 24-A MRSA §3953, sub-§1**, as enacted by PL 2011, c. 90, Pt. B, §8, is
3 amended to read:

4 **1. Guaranteed access reinsurance mechanism established.** The Maine
5 Guaranteed Access Reinsurance Association is established as a nonprofit legal entity. As
6 a condition of doing business in the State, an insurer that has issued or administered
7 medical insurance within the previous 12 months or is actively marketing a medical
8 insurance policy or medical insurance administrative services in this State must
9 participate in the association. The Dirigo Health Program established in chapter 87 and
10 any other state-sponsored health benefit program shall also participate in the association.
11 From January 1, 2014 to December 31, 2016 or until such time as the transitional
12 reinsurance program administered pursuant to the federal Affordable Care Act is
13 terminated, the authority of the association granted by this chapter is suspended.

14 **Sec. 2. Maine Guaranteed Access Reinsurance Association; amendment**
15 **to plan of operation.** On or before October 1, 2013, the Board of Directors of the
16 Maine Guaranteed Access Reinsurance Association shall submit an amendment to the
17 association's plan of operation to the Superintendent of Insurance for approval as
18 provided in the Maine Revised Statutes, Title 24-A, section 3953, subsection 3 to
19 implement the suspension of the operations of the association pursuant to this Act. In
20 amending the plan of operation, the board of directors shall, at a minimum, explain how
21 operations will be suspended, describe the actions necessary to pay reinsurance on
22 qualified claims attributable to the time period prior to January 1, 2014 and describe the
23 actions necessary to suspend assessments.

24 **SUMMARY**

25 This bill suspends the authority of the Maine Guaranteed Access Reinsurance
26 Association from January 1, 2014 to December 31, 2016 or until such time as the
27 transitional reinsurance program administered by the federal Department of Health and
28 Human Services pursuant to the federal Patient Protection and Affordable Care Act is no
29 longer operational. The bill also directs the Board of Directors of the Maine Guaranteed
30 Access Reinsurance Association to amend the association's plan of operation and submit
31 the amendment on or before October 1, 2013 to the Superintendent of Insurance for
32 approval. The amended plan of operation must include, but is not limited to, an
33 explanation of how operations will be suspended, the actions necessary to pay
34 reinsurance on qualified claims attributable to the time period prior to January 1, 2014
35 and the actions necessary to suspend assessments.