



# 127th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2016

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Legislative Document

No. 1545

S.P. 605

In Senate, January 12, 2016

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### **An Act To Repeal the Maine Guaranteed Access Reinsurance Association Act**

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

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

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Secretary of the Senate

Presented by Senator WHITTEMORE of Somerset.  
Cosponsored by Representative BECK of Waterville and  
Senators: CUSHING of Penobscot, LANGLEY of Hancock, Representative: MARTIN of  
Sinclair.

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

2 **Sec. 1. 5 MRSA §12004-G, sub-§14-H**, as corrected by RR 2011, c. 1, §6, is  
3 amended to read:

4 **14-H.**

5 Health Care Board of Directors Expenses Only 24-A MRSA §3953  
6 of the Maine  
7 Guaranteed Access  
8 Reinsurance  
9 Association

10 This subsection is repealed January 1, 2019.

11 **Sec. 2. 24-A MRSA §2736-C, sub-§3, ¶E**, as amended by PL 2011, c. 621, §1,  
12 is further amended to read:

13 E. As part of the application process for individual health coverage, a carrier shall  
14 require an individual to complete the health statement developed by the Board of  
15 Directors of the Maine Guaranteed Access Reinsurance Association pursuant to  
16 section 3955, subsection 1, paragraph E. A carrier may not deny coverage or refuse  
17 to renew or cancel an individual health plan on the basis of an individual's complete  
18 or incomplete health statement, claims history or risk scores or on the basis of any  
19 omission of material information from a health statement or misrepresentation of an  
20 individual's health status. The rejection of an application for individual health  
21 coverage by a carrier because an individual has not submitted a completed health  
22 statement is not a denial of coverage for the purposes of this paragraph.

23 This paragraph is repealed January 1, 2019.

24 **Sec. 3. 24-A MRSA §3963** is enacted to read:

25 **§3963. Repeal**

26 This chapter is repealed January 1, 2019.

27 **Sec. 4. Evaluation of Maine Guaranteed Access Reinsurance Association.**  
28 During the First Regular Session of the 128th Legislature, the joint standing committee of  
29 the Legislature having jurisdiction over insurance and financial services matters shall  
30 conduct a review and evaluation of the transitional reinsurance program operating in the  
31 State between January 1, 2014 and December 31, 2016 pursuant to the federal Patient  
32 Protection and Affordable Care Act and federal regulations adopted pursuant to that Act  
33 and the differences between the transitional reinsurance program and the Maine  
34 Guaranteed Access Reinsurance Association as established by the Maine Revised  
35 Statutes, Title 24-A, chapter 54-A. Before January 1, 2018, the joint standing committee  
36 of the Legislature having jurisdiction over insurance and financial services matters shall  
37 make a recommendation to the Superintendent of Insurance as to whether the Maine  
38 Guaranteed Access Reinsurance Association should resume operations pursuant to a  
39 revised plan of operation and whether any changes should be made to the statutes

1 governing the association. The joint standing committee of the Legislature having  
2 jurisdiction over insurance and financial services matters may submit a bill based on its  
3 evaluation to the Second Regular Session of the 128th Legislature.

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#### **SUMMARY**

5 This bill repeals the Maine Guaranteed Access Reinsurance Association Act,  
6 effective January 1, 2019. Prior to the repeal, it requires the joint standing committee  
7 having jurisdiction over insurance and financial services matters to review and evaluate  
8 the transitional reinsurance program operating in the State between January 1, 2014 and  
9 December 31, 2016 pursuant to the federal Patient Protection and Affordable Care Act  
10 and federal regulations adopted pursuant to that Act and the differences between the  
11 transitional reinsurance program and the Maine Guaranteed Access Reinsurance  
12 Association and recommend to the Superintendent of Insurance whether the Maine  
13 Guaranteed Access Reinsurance Association should resume operations. The committee is  
14 authorized to submit a bill to the Second Regular Session of the 128th Legislature based  
15 on the committee's evaluation.