

STATE OF MAINE

—
 IN THE YEAR OF OUR LORD
 TWO THOUSAND AND SEVENTEEN

—
 H.P. 835 - L.D. 1198

An Act To Enhance the Administration of the State's Group Health Plan

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the contract for the State's group health plan expired on June 30, 2016; and

Whereas, the State is currently in the competitive bidding process for awarding the next group health plan for state employees; and

Whereas, allowing the term of the State's next group health plan to be extended will enhance the administration of the plan and benefit the plan members; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 5 MRSA §285, sub-§5, as amended by PL 1995, c. 368, Pt. G, §1, is further amended to read:

5. Purchase of policies. The commission shall purchase, by competitive bidding, from one or more insurance companies, nonprofit organizations, 3rd-party administrators or any organization necessary to administer and provide a health plan, a policy or policies or contract, to provide the benefits specified by this section. The purchase of policies by the commission must be accomplished by use of a written contract that must be fully executed within 90 calendar days of notification of bid acceptance from the commission to the insurer. In extenuating circumstances, the Commissioner of Administrative and Financial Services may grant a waiver to that 90-day limit. Notwithstanding this subsection, with the consent of the policyholder and of the insurer and at the sole discretion of the commission, existing policies of insurance covering at least 1,000 of the

employees defined as eligible by this section may be amended to provide the benefits specified by this section and assigned to the Commissioner of Administrative and Financial Services for the benefit of all those eligible under this section. The company or companies or nonprofit organizations must be licensed under the laws of the State, when applicable. The policy provisions are subject to and as provided for by the insurance laws of this State, when applicable. Notwithstanding any other provisions of law, the term of a contract executed with a successful bidder may not exceed 3 years unless extended in one-year increments for up to 3 additional years.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.