



# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

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Legislative Document

No. 1587

H.P. 1185

House of Representatives, June 16, 2011

### **An Act To Provide Further Improvements to Maine's Health Insurance Law**

(AFTER DEADLINE)

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

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

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Clerk

Presented by Representative RICHARDSON of Warren.  
Cosponsored by Senator WHITTEMORE of Somerset.

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

2 **Sec. 1. 24-A MRSA §3957, sub-§2**, as enacted by PL 2011, c. 90, Pt. B, §8, is  
3 amended to read:

4 **2. Maximum assessment.** The board shall assess each insurer an amount not to  
5 exceed \$4 per month per covered person enrolled in medical insurance insured, reinsured  
6 or administered by the insurer. An insurer may not be assessed on policies or contracts  
7 insuring federal or state employees except for policies or contracts insuring Legislators  
8 and their dependents. For policies or contracts insuring Legislators and their dependents,  
9 Legislators shall pay the amount of the assessment to the insurer.

10 **Sec. 2. 24-A MRSA §3957, sub-§5, ¶D** is enacted to read:

11 D. An insurer may not be assessed on policies or contracts insuring federal or state  
12 employees, except for policies or contracts insuring Legislators and their dependents.  
13 Any assessment required under this subsection on policies or contracts insuring  
14 Legislators and their dependents must be paid as provided in subsection 2.

15 **Sec. 3. Payroll deduction.** In consultation with the Legislative Council and the  
16 insurer or 3rd-party administrator for the group health plan provided in accordance with  
17 the Maine Revised Statutes, Title 5, section 285, the State shall collect any assessment  
18 required to be paid by Legislators pursuant to Title 24-A, section 6957, subsection 2 or  
19 subsection 5 through payroll deduction.

20 **SUMMARY**

21 The bill amends the law regarding rating practices for individual and small group  
22 health plans to remove the exemption from assessment for Legislators and their  
23 dependents, thus requiring insurers to pay an assessment for administrative costs of up to  
24 \$4 per month per person for policies insuring Legislators and their dependents and  
25 potential assessments of up to \$2 per month to cover any net loss. The amendment  
26 provides that Legislators shall pay for the amount of assessments and requires the  
27 assessments to be collected through payroll deduction.