



# 129th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2019

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Legislative Document

No. 368

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S.P. 109

In Senate, January 24, 2019

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

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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.