



# 132nd MAINE LEGISLATURE

## FIRST SPECIAL SESSION-2025

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Legislative Document

No. 1785

H.P. 1196

House of Representatives, April 24, 2025

**An Act to Encourage Competition by Requiring Independent Health  
Care Provider Cost-of-living Adjustments in Health Insurance  
Contracts**

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

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative BOYER of Cape Elizabeth.  
Cosponsored by Senator BALDACCI of Penobscot and  
Representative: MATHIESON of Kittery.

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

2 **Sec. 1. 24-A MRSA §4303, sub-§18-A** is enacted to read:

3 **18-A. Nonaffiliated practice contract requirements.** In addition to the requirements  
4 of subsection 18, a carrier offering a health plan must meet the requirements of this  
5 subsection with respect to a contract offered by the carrier to an individual practice that is  
6 not affiliated with a hospital or a group practice up to 25 members that is not affiliated with  
7 a hospital, including a contract offered through a preferred provider arrangement, as  
8 defined in section 2671, subsection 7. This subsection does not apply to dental or vision  
9 plans.

10 A. For health plans issued or renewed on or after January 1, 2026, compensation  
11 provisions in a contract between an individual practice that is not affiliated with a  
12 hospital or a group practice up to 25 members that is not affiliated with a hospital and  
13 a carrier to provide health care services to enrollees of a health plan must include an  
14 increase in compensation for health care services from the prior year that reflects  
15 increases in the Consumer Price Index for All Urban Consumers, CPI-U, over the  
16 previous year, as compiled by the United States Department of Labor, Bureau of Labor  
17 Statistics. A carrier may not reduce fees for services covered under the contract for any  
18 reason other than to reflect changes to the national relative value unit standards  
19 determined by the federal Department of Health and Human Services, Centers for  
20 Medicare and Medicaid Services.

21 B. This subsection does not require an individual practice that is not affiliated with a  
22 hospital or a group practice up to 25 members that is not affiliated with a hospital to  
23 accept or reject, or prohibit an individual practice that is not affiliated with a hospital  
24 or a group practice up to 25 members that is not affiliated with a hospital from  
25 accepting or rejecting, a contract or an amendment to an existing contract including  
26 any increase in compensation required by this subsection. A contract may not directly  
27 or indirectly waive the requirements of this subsection and a carrier may not  
28 discriminate against any category of individual practice that is not affiliated with a  
29 hospital or a group practice up to 25 members that is not affiliated with a hospital by  
30 excluding or limiting payment for health care services provided by an individual  
31 practice that is not affiliated with a hospital or a group practice up to 25 members that  
32 is not affiliated with a hospital in an effort to avoid the compensation provisions of this  
33 subsection.

34 **Sec. 2. Prohibition on altering contractual reimbursement during 2025.** A  
35 carrier, as defined in Title 24-A, section 4301-A, subsection 3, offering a health plan, as  
36 defined in Title 24-A, section 4301-A, subsection 7, may not alter contractual  
37 reimbursement to an individual practice that is not affiliated with a hospital or a group  
38 practice up to 25 members that is not affiliated with a hospital during 2025 to reduce the  
39 baseline reimbursement for the purpose of reducing the compensation increase required  
40 pursuant to Title 24-A, section 4303, subsection 18-A.

## 41 SUMMARY

42 This bill requires that, for health insurance plans issued or renewed on or after January  
43 1, 2026, compensation provisions in a contract between an individual practice that is not  
44 affiliated with a hospital or a group practice up to 25 members that is not affiliated with a

1 hospital and a health insurance carrier to provide health care services to enrollees of a health  
2 insurance plan must include an increase in compensation for health care services from the  
3 prior year that reflects increases in the Consumer Price Index for All Urban Consumers,  
4 CPI-U, over the previous year, as compiled by the United States Department of Labor,  
5 Bureau of Labor Statistics. This bill prohibits a health insurance carrier offering a health  
6 insurance plan from altering contractual reimbursement to an individual practice that is not  
7 affiliated with a hospital or a group practice up to 25 members that is not affiliated with a  
8 hospital during 2025 to reduce the baseline reimbursement for the purpose of reducing the  
9 required compensation increase. The bill also prohibits a health insurance carrier from  
10 reducing fees for services covered under a contract with an individual practice that is not  
11 affiliated with a hospital or a group practice up to 25 members that is not affiliated with a  
12 hospital for any reason other than to reflect changes to the national relative value unit  
13 standards determined by the federal Department of Health and Human Services, Centers  
14 for Medicare and Medicaid Services.