

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Extend the Scope of the Maine Guaranteed Access Reinsurance Association**

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

**Sec. 1. 24-A MRSA §3952, sub-§9**, as enacted by PL 2011, c. 90, Pt. B, §8, is amended to read:

**9. Member insurer.** "Member insurer" means an insurer that offers individual health plans and is actively marketing individual health plans in this State, or that offers small group health plans to groups of 10 or fewer members and is actively marketing small group health plans to groups of 10 or fewer members in this State.

**Sec. 2. 24-A MRSA §3958, sub-§1**, as enacted by PL 2011, c. 90, Pt. B, §8, is amended to read:

**1. Reinsurance amount.** A member insurer ~~offering an individual health plan~~ must be reinsured by the association to the level of coverage provided in this subsection and is liable to the association for the reinsurance premium rate established in accordance with subsection 2.

A. The association may not reimburse a member insurer with respect to claims of a person designated for reinsurance by the member insurer pursuant to section 3959 until the insurer has incurred an initial level of claims for that person of \$7,500 for covered benefits in a calendar year. In addition, the insurer is responsible for 10% of the next \$25,000 of claims paid during a calendar year. The association shall reimburse insurers for claims paid in excess of \$32,500. The association may annually adjust the initial level of claims and the maximum limit to be retained by the insurer to reflect increases in costs and utilization within the standard market ~~for individual health plans~~ within the State. The adjustments may not be less than the annual change in the Consumer Price Index for medical care services unless the superintendent approves a lower adjustment factor as requested by the association.

B. An insurer shall apply all managed care, utilization review, case management, preferred provider arrangements, claims processing and other methods of operation without regard to whether claims paid for coverage are reinsured under this subsection.

### **SUMMARY**

This bill extends the provisions of the law governing the Maine Guaranteed Access Reinsurance Association to insurers that offer small group health plans to groups of 10 or fewer members.