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

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

Sec. 1. 24-A MRS §6603, sub-§1-A, as enacted by PL 2001, c. 570, §2, is amended to read:

1-A. Eligibility based on geographic association. To meet the requirements for approval and to maintain a multiple-employer welfare arrangement, an arrangement based on geographic association:

A. ~~Must be established by an association with a principal office in a location within a 40-mile radius of the principal place of business of eligible employers located in the State;~~

B. Must permit eligibility for an employer that has employed an average of 100 or fewer full-time employees during the preceding calendar year, more of whom are employed in this State than any other state, and for an employer that is a licensed nonprofit hospital ~~if the employer or hospital is located within a 40-mile radius of the association;~~

C. May establish eligibility standards for membership in the association, except that an association may not deny eligibility to an otherwise eligible employer or hospital on the basis of health status or claims experience; and

D. Must meet the requirements for approval in subsection 1, except as provided in subsection 1, paragraphs B and D.

SUMMARY

This bill replaces the requirement that a multiple-employer welfare arrangement based on geographic association must be established by an association with a principal office in a location within a 40-mile radius of the principal place of business of eligible employers with a requirement that the arrangement must be established by an association with a principal office located in the State.