



132nd MAINE LEGISLATURE

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Legislative Document

No. 520

H.P. 338

House of Representatives, February 11, 2025

**An Act to Ensure Choices in Health Insurance Markets by
Modifying the Provisions of Law Governing Clear Choice Design
Health Plans**

Received by the Clerk of the House on February 7, 2025. Referred to the Committee on Health Coverage, Insurance and Financial Services pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

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

ROBERT B. HUNT
Clerk

Presented by Representative MORRIS of Turner.
Cosponsored by Representatives: CIMINO of Bridgton, FLYNN of Albion, FOLEY of Wells,
OLSEN of Raymond, Senator: HAGGAN of Penobscot.

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

2 **Sec. 1. 24-A MRSA §2792, sub-§1**, as amended by PL 2021, c. 361, §1, is further
3 amended to read:

4 **1. Pooled market established.** Subject to the requirements of subsection 5, all
5 individual and small group health plans offered in this State with effective dates of coverage
6 on or after January 1, 2023 must be offered through a pooled market. ~~A health insurance~~
7 ~~carrier offering an individual health plan subject to this section shall make the plan~~
8 ~~available to all eligible small employers within the plan's approved service area, and a~~
9 ~~health insurance carrier offering a small group health plan subject to this section shall make~~
10 ~~the plan available to all eligible individuals residing within the plan's approved service area.~~
11 ~~This subsection does not require the Maine Health Insurance Marketplace established in~~
12 ~~Title 22, chapter 1479 to offer identical choices of health plans to individuals and to small~~
13 ~~employers under Title 22, chapter 1479.~~

14 **Sec. 2. 24-A MRSA §2792, sub-§2**, as enacted by PL 2019, c. 653, Pt. B, §2, is
15 amended to read:

16 **2. Premium rates.** Premium rates for a health plan offered in the pooled market
17 described in subsection 1 may not vary based on whether the plan is issued to an individual
18 or to a small employer. Rate filings and review for the pooled market are subject to the
19 provisions of sections 2736 to 2736-C. ~~For health plans that are issued on other than a~~
20 ~~calendar year basis, rates applicable on and after January 1st of any plan year must be the~~
21 ~~approved rates for the most similar plan offered during the new calendar year, adjusted by~~
22 ~~a factor, approved by the superintendent as part of the rating plan, that appropriately~~
23 ~~accounts for any differences in plan design.~~

24 **Sec. 3. 24-A MRSA §2793**, as amended by PL 2021, c. 361, §3, is further amended
25 to read:

26 **§2793. Clear choice designs**

27 The superintendent shall develop clear choice designs for health plans in order to
28 reduce consumer confusion and provide meaningful choices for consumers by promoting
29 a level playing field on which carriers compete on the basis of price and quality. The
30 superintendent shall develop separate clear choice designs for individual and small group
31 health plans.

32 **1. Clear choice design.** For the purposes of this section, "clear choice design" means
33 a set of annual copayments, coinsurance and deductibles for all or a designated subset of
34 the essential health benefits. An individual health plan subject to section 2736-C or a pooled
35 market health plan subject to section 2792 must conform to one of the clear choice designs
36 developed pursuant to this section unless it is approved as an alternative plan under
37 subsection 4.

38 **2. Development of clear choice designs.** The superintendent shall develop clear
39 choice designs in consultation with working groups consisting of consumers, carriers,
40 health policy experts and other interested persons. The superintendent shall adopt rules for
41 clear choice designs, taking into consideration the ability of plans to conform to actuarial
42 value ranges, consumer needs and promotion of benefits with high value and return on
43 investment. The superintendent shall develop at least one clear choice design for each tier

1 of health insurance plan designated as bronze, silver, gold and platinum in accordance with
2 the federal Affordable Care Act. Rules adopted pursuant to this subsection are routine
3 technical rules as defined in Title 5, chapter 375, subchapter 2-A. Clear choice designs
4 apply to all individual health plans offered in this State with effective dates of coverage on
5 or after January 1, 2022 and to all small group health plans offered through the pooled
6 market under section 2792. No later than January 31st of each year, the superintendent
7 shall release the proposed clear choice designs to be used in the following plan year for
8 review and comment by stakeholders.

9 **3. Annual review.** The superintendent shall consider annually whether to revise,
10 discontinue or add any clear choice designs for use by carriers in the following calendar
11 year, including but not limited to considering whether deductible and copayment levels
12 should be changed to reflect medical inflation and conform with actuarial value and annual
13 maximum out-of-pocket limits.

14 **4. Alternative plan designs.** In addition to one or more health plans that include cost-
15 sharing parameters consistent with a clear choice design developed pursuant to this section,
16 a carrier may offer up to 3 individual health plan designs and up to 3 small group health
17 plan designs that modify one or more specific cost-sharing parameters in a clear choice
18 design if the carrier submits an actuarial certification to the satisfaction of the
19 superintendent that the alternative plan design offers significant consumer benefits and
20 does not result in adverse selection. An alternative plan design may be offered only in a
21 service area where the carrier offers at least one clear choice design plan at the same tier.

22 SUMMARY

23 This bill amends the provisions of the Maine Insurance Code related to pooled market
24 and clear choice design.

25 The bill eliminates the requirement that health insurance carriers offering individual
26 health plans must make those plans available to all eligible small employers within the
27 plan's approved service area. It also eliminates the requirement that health insurance
28 carriers offering small group health plans make those plans available to all eligible
29 individuals residing within the plan's approved service area.

30 The bill eliminates requirements related to premium rate adjustments for health plans
31 that are issued on other than a calendar year basis.

32 The bill requires the Superintendent of Insurance to develop separate clear choice
33 designs for individual health plans and small group health plans and requires that on
34 January 31st of each year, the superintendent must release the proposed clear choice
35 designs to be used in the following plan year for review and comment by stakeholders. The
36 bill modifies provisions related to alternative designs to allow carriers to offer up to 3
37 alternative individual health plan designs and up to 3 alternative small group health plan
38 designs.