



126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1176

S.P. 413

In Senate, March 26, 2013

An Act To Require Health Insurers To Use One Geographic Area as Permitted by the Federal Patient Protection and Affordable Care Act

Reference to the Committee on 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 GRATWICK of Penobscot.
Cosponsored by Representative SANBORN of Gorham and
Senators: CRAVEN of Androscoggin, LACHOWICZ of Kennebec, Representatives: DOAK of
Columbia Falls, MAKER of Calais, PRINGLE of Windham, SHAW of Standish, TURNER of
Burlington, WALLACE of Dexter.

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

2 **Sec. 1. 24-A MRSA §2736-C, sub-§2, ¶C-1**, as enacted by PL 2011, c. 90, Pt.
3 A, §2, is amended to read:

4 C-1. A carrier may vary the premium rate due to geographic area in accordance with
5 the limitation set out in this paragraph. For all policies, contracts or certificates that
6 are executed, delivered, issued for delivery, continued or renewed in this State on or
7 after July 1, 2012 until December 31, 2013, the rating factor used by a carrier for
8 geographic area may not exceed 1.5. For all policies, contracts or certificates that are
9 executed, delivered, issued for delivery, continued or renewed in this State on or after
10 January 1, 2014, a carrier may use only one rating area based on geography within
11 the State.

12 **Sec. 2. 24-A MRSA §2808-B, sub-§2, ¶C-1**, as enacted by PL 2011, c. 90, Pt.
13 A, §7, is amended to read:

14 C-1. A carrier may vary the premium rate due to geographic area in accordance with
15 the limitation set out in this paragraph. For all policies, contracts or certificates that
16 are executed, delivered, issued for delivery, continued or renewed in this State on or
17 after October 1, 2011 until December 31, 2013, the rating factor used by a carrier for
18 geographic area may not exceed 1.5. For all policies, contracts or certificates that are
19 executed, delivered, issued for delivery, continued or renewed in this State on or after
20 January 1, 2014, a carrier may use only one rating area based on geography within
21 the State.

22 **SUMMARY**

23 As permitted by the federal Patient Protection and Affordable Care Act, this bill
24 requires health insurance carriers to use only one rating area based on geography within
25 the State when establishing rates for individual and small group health plans issued or
26 renewed on or after January 1, 2014.