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Date: (Filing No. H- )

**INSURANCE AND FINANCIAL SERVICES**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
127TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 93, L.D. 135, Bill, “An Act To Prohibit Tobacco Use Surcharges in Small Group and Individual Health Insurance Products”

Amend the bill by striking out the title and substituting the following:

**'An Act To Reduce Tobacco Use Surcharges in Small Group and Individual Health Insurance Products'**

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

**'Sec. 1. 24-A MRSA §2736-C, sub-§2, ¶D,** as amended by PL 2011, c. 364, §4, is further amended to read:

D. A carrier may vary the premium rate due to age and tobacco use in accordance with the limitations set out in this paragraph.

(1) For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State between December 1, 1993 and July 14, 1994, the premium rate may not deviate above or below the community rate filed by the carrier by more than 50%.

(2) For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State between July 15, 1994 and July 14, 1995, the premium rate may not deviate above or below the community rate filed by the carrier by more than 33%.

(3) For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State between July 15, 1995 and June 30, 2012, the premium rate may not deviate above or below the community rate filed by the carrier by more than 20%.

(5) For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State between July 1, 2012 and December 31, 2013, the maximum rate differential due to age filed by the carrier

**COMMITTEE AMENDMENT**

1 as determined by ratio is 3 to 1. The limitation does not apply for determining  
2 rates for an attained age of less than 19 years of age or more than 65 years of age.

3 (6) For all policies, contracts or certificates that are executed, delivered, issued  
4 for delivery, continued or renewed in this State between January 1, 2014 and  
5 December 31, 2014, the maximum rate differential due to age filed by the carrier  
6 as determined by ratio is 4 to 1 to the extent permitted by the federal Affordable  
7 Care Act. The limitation does not apply for determining rates for an attained age  
8 of less than 19 years of age or more than 65 years of age.

9 (7) For all policies, contracts or certificates that are executed, delivered, issued  
10 for delivery, continued or renewed in this State on or after January 1, 2015, the  
11 maximum rate differential due to age filed by the carrier as determined by ratio is  
12 5 to 1 to the extent permitted by the federal Affordable Care Act. The limitation  
13 does not apply for determining rates for an attained age of less than 19 years of  
14 age or more than 65 years of age.

15 (8) For all policies, contracts or certificates that are executed, delivered, issued  
16 for delivery, continued or renewed in this State ~~on or after~~ between July 1, 2012  
17 and December 31, 2016, the maximum rate differential due to tobacco use filed  
18 by the carrier as determined by ratio is 1.5 to 1.

19 (9) For all policies, contracts or certificates that are executed, delivered, issued  
20 for delivery, continued or renewed in this State on or after January 1, 2017, the  
21 maximum rate differential due to tobacco use filed by the carrier as determined  
22 by ratio is 1.2 to 1.

23 **Sec. 2. 24-A MRSA §2736-C, sub-§2, ¶I**, as amended by PL 2011, c. 364, §5, is  
24 further amended to read:

25 I. A carrier that offered individual health plans prior to July 1, 2012 may close its  
26 individual book of business sold prior to July 1, 2012 and may establish a separate  
27 community rate for individuals applying for coverage under an individual health plan  
28 on or after July 1, 2012. If a carrier closes its individual book of business as  
29 permitted under this paragraph, the carrier may vary the premium rate for individuals  
30 in that closed book of business only as permitted in this paragraph and paragraphs C  
31 and C-1.

32 (1) For all policies, contracts or certificates that are executed, delivered, issued  
33 for delivery, continued or renewed in this State between July 1, 2012 and  
34 December 31, 2012, the maximum rate differential due to age filed by the carrier  
35 as determined by ratio is 2 to 1. The limitation does not apply for determining  
36 rates for an attained age of less than 19 years of age or more than 65 years of age.

37 (2) For all policies, contracts or certificates that are executed, delivered, issued  
38 for delivery, continued or renewed in this State between January 1, 2013 and  
39 December 31, 2013, the maximum rate differential due to age filed by the carrier  
40 as determined by ratio is 2.5 to 1. The limitation does not apply for determining  
41 rates for an attained age of less than 19 years of age or more than 65 years of age.

1 (3) For all policies, contracts or certificates that are executed, delivered, issued  
2 for delivery, continued or renewed in this State between January 1, 2014 and  
3 December 31, 2014, the maximum rate differential due to age filed by the carrier  
4 as determined by ratio is 3 to 1. The limitation does not apply for determining  
5 rates for an attained age of less than 19 years of age or more than 65 years of age.

6 (4) For all policies, contracts or certificates that are executed, delivered, issued  
7 for delivery, continued or renewed in this State between January 1, 2015 and  
8 December 31, 2015, the maximum rate differential due to age filed by the carrier  
9 as determined by ratio is 4 to 1 to the extent permitted by the federal Affordable  
10 Care Act. The limitation does not apply for determining rates for an attained age  
11 of less than 19 years of age or more than 65 years of age.

12 (5) For all policies, contracts or certificates that are executed, delivered, issued  
13 for delivery, continued or renewed in this State on or after January 1, 2016, the  
14 maximum rate differential due to age filed by the carrier as determined by ratio is  
15 5 to 1 to the extent permitted by the federal Affordable Care Act. The limitation  
16 does not apply for determining rates for an attained age of less than 19 years of  
17 age or more than 65 years of age.

18 (6) For all policies, contracts or certificates that are executed, delivered, issued  
19 for delivery, continued or renewed in this State ~~on or after~~ between July 1, 2012  
20 and December 31, 2016, the maximum rate differential due to tobacco use filed  
21 by the carrier as determined by ratio is 1.5 to 1.

22 (7) For all policies, contracts or certificates that are executed, delivered, issued  
23 for delivery, continued or renewed in this State on or after January 1, 2017, the  
24 maximum rate differential due to tobacco use filed by the carrier as determined  
25 by ratio is 1.2 to 1.

26 The superintendent shall direct the Consumer Health Care Division, established in  
27 section 4321, to work with carriers and health advocacy organizations to provide  
28 information about comparable alternative insurance options to individuals in a  
29 carrier's closed book of business.

30 **Sec. 3. 24-A MRSA §2808-B, sub-§2, ¶D**, as amended by PL 2011, c. 638, §2,  
31 is further amended to read:

32 D. A carrier may vary the premium rate due to age, group size and tobacco use only  
33 under the following schedule and within the listed percentage bands.

34 (1) For all policies, contracts or certificates that are executed, delivered, issued  
35 for delivery, continued or renewed in this State between July 15, 1993 and July  
36 14, 1994, the premium rate may not deviate above or below the community rate  
37 filed by the carrier by more than 50%.

38 (2) For all policies, contracts or certificates that are executed, delivered, issued  
39 for delivery, continued or renewed in this State between July 15, 1994 and July  
40 14, 1995, the premium rate may not deviate above or below the community rate  
41 filed by the carrier by more than 33%.

- 1 (3) For all policies, contracts or certificates that are executed, delivered, issued  
2 for delivery, continued or renewed in this State between July 15, 1995 and  
3 September 30, 2011, the premium rate may not deviate above or below the  
4 community rate filed by the carrier by more than 20%.
- 5 (4) For all policies, contracts or certificates that are executed, delivered, issued  
6 for delivery, continued or renewed in this State between October 1, 2011 and  
7 September 30, 2012, the maximum rate differential due to age filed by the carrier  
8 as determined by ratio is 2 to 1. The limitation does not apply for determining  
9 rates for an attained age of less than 19 years of age or more than 65 years of age.
- 10 (5) For all policies, contracts or certificates that are executed, delivered, issued  
11 for delivery, continued or renewed in this State between October 1, 2012 and  
12 December 31, 2013, the maximum rate differential due to age and group size  
13 filed by the carrier as determined by ratio is 2.5 to 1. The limitation does not  
14 apply for determining rates for an attained age of less than 19 years of age or  
15 more than 65 years of age.
- 16 (6) For all policies, contracts or certificates that are executed, delivered, issued  
17 for delivery, continued or renewed in this State between January 1, 2014 and  
18 December 31, 2014, the maximum rate differential due to age and group size  
19 filed by the carrier as determined by ratio is 3 to 1 to the extent permitted by the  
20 federal Affordable Care Act. The limitation does not apply for determining rates  
21 for an attained age of less than 19 years of age or more than 65 years of age.
- 22 (7) For all policies, contracts or certificates that are executed, delivered, issued  
23 for delivery, continued or renewed in this State between January 1, 2015 and  
24 December 31, 2015, the maximum rate differential due to age and group size  
25 filed by the carrier as determined by ratio is 4 to 1 to the extent permitted by the  
26 federal Affordable Care Act. The limitation does not apply for determining rates  
27 for an attained age of less than 19 years of age or more than 65 years of age.
- 28 (8) For all policies, contracts or certificates that are executed, delivered, issued  
29 for delivery, continued or renewed in this State on or after January 1, 2016, the  
30 maximum rate differential due to age and group size filed by the carrier as  
31 determined by ratio is 5 to 1 to the extent permitted by the federal Affordable  
32 Care Act. The limitation does not apply for determining rates for an attained age  
33 of less than 19 years of age or more than 65 years of age.
- 34 (9) For all policies, contracts or certificates that are executed, delivered, issued  
35 for delivery, continued or renewed in this State ~~on or after~~ between October 1,  
36 2011 and December 31, 2016, the maximum rate differential due to tobacco use  
37 filed by the carrier as determined by ratio is 1.5 to 1.
- 38 (10) For all policies, contracts or certificates that are executed, delivered, issued  
39 for delivery, continued or renewed in this State on or after January 1, 2017, the  
40 maximum rate differential due to tobacco use filed by the carrier as determined  
41 by ratio is 1.2 to 1.

1           **Sec. 4. 24-A MRSA §2808-B, sub-§2, ¶H**, as amended by PL 2011, c. 638, §3,  
2 is further amended to read:

3           H. A carrier that offered small group health plans prior to October 1, 2011 may close  
4 its small group book of business sold prior to October 1, 2011 and may establish a  
5 separate community rate for eligible groups applying for coverage under a small  
6 group health plan on or after October 1, 2011. If a carrier closes its small group book  
7 of business as permitted under this paragraph, the carrier may vary the premium rate  
8 for that closed book of business only as permitted in this paragraph and paragraphs C  
9 and C-1.

10           (1) For all policies, contracts or certificates that are executed, delivered, issued  
11 for delivery, continued or renewed in this State between October 1, 2011 and  
12 September 30, 2012, the maximum rate differential due to age filed by the carrier  
13 as determined by ratio is 2 to 1. The limitation does not apply for determining  
14 rates for an attained age of less than 19 years of age or more than 65 years of age.

15           (2) For all policies, contracts or certificates that are executed, delivered, issued  
16 for delivery, continued or renewed in this State between October 1, 2012 and  
17 December 31, 2013, the maximum rate differential due to age and group size  
18 filed by the carrier as determined by ratio is 2.5 to 1. The limitation does not  
19 apply for determining rates for an attained age of less than 19 years of age or  
20 more than 65 years of age.

21           (3) For all policies, contracts or certificates that are executed, delivered, issued  
22 for delivery, continued or renewed in this State between January 1, 2014 and  
23 December 31, 2014, the maximum rate differential due to age and group size  
24 filed by the carrier as determined by ratio is 3 to 1 to the extent permitted by the  
25 federal Affordable Care Act. The limitation does not apply for determining rates  
26 for an attained age of less than 19 years of age or more than 65 years of age.

27           (4) For all policies, contracts or certificates that are executed, delivered, issued  
28 for delivery, continued or renewed in this State between January 1, 2015 and  
29 December 31, 2015, the maximum rate differential due to age and group size  
30 filed by the carrier as determined by ratio is 4 to 1 to the extent permitted by the  
31 federal Affordable Care Act. The limitation does not apply for determining rates  
32 for an attained age of less than 19 years of age or more than 65 years of age.

33           (5) For all policies, contracts or certificates that are executed, delivered, issued  
34 for delivery, continued or renewed in this State on or after January 1, 2016, the  
35 maximum rate differential due to age and group size filed by the carrier as  
36 determined by ratio is 5 to 1 to the extent permitted by the federal Affordable  
37 Care Act. The limitation does not apply for determining rates for an attained age  
38 of less than 19 years of age or more than 65 years of age.

39           (6) For all policies, contracts or certificates that are executed, delivered, issued  
40 for delivery, continued or renewed in this State ~~on or after~~ between October 1,  
41 2011 and December 31, 2016, the maximum rate differential due to tobacco use  
42 filed by the carrier as determined by ratio is 1.5 to 1.

