



**TO: Senator Donna Bailey, Chair**  
**Representative Kristi Mathieson, Chair**  
**Members, Joint Standing Committee on Health Coverage, Insurance and Financial Services**

**FROM: Tom Perrey, Vice President**

**DATE:**

**RE: LD No. 520**

---

On behalf of the Maine Chapter of the Association of Benefits and Insurance Professionals (NABIP-ME), I am pleased to have the opportunity to submit comments on the proposed bill.

NABIP-ME is the State chapter of the National Association of Benefits and Insurance Professionals. We represent licensed agents, brokers, and employee benefit consultants who sell and service individual and group health, disability, Medicare, and long-term care insurance.

We are writing to provide our perspective on LD 520.

We support the approach of allowing group plans to differ from individual plans. Most group policyholders are advised by a licensed agent or broker which allows for more complex and subsequently more customized plan designs in the group market. We think LD 520 accomplishes this by

not requiring individual plan designs to mirror group plan designs or to make all group plan designs available to individuals

We do have concerns about the elimination of the rating factors used in non-calendar year renewals.

We feel rates should reflect the period covered by the policy which the use of quarterly trends would accomplish.

Finally, we don't think that the requirement that insurers have renewal rates for subsequent years available on January 31 of the current year is realistic. It would require the insurer to use, in practical terms, claims data that will be up to 24 months old and may not reflect the most current trends in the market.

We would like to thank the Committee for considering our comments and the opportunity to express our views. If you have questions, please feel free to contact me.

Respectfully,

Tom Perrey

Vice President

NABIP-ME

[tom@bilodeauins.com](mailto:tom@bilodeauins.com)

207-725-2797