

Proposed Draft for Discussion Purposes based on OTP-A Motion

PROPOSED DRAFT COMMITTEE AMENDMENT "." TO LD 1331, An Act To Make

Individual and Small Group Health Insurance More Affordable in Certain High-premium Counties

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

Sec. 1. 24-A MRS §2736-C, sub-§2, ¶C-1 is amended to read:

C-1. A carrier may vary the premium rate due to geographic area in accordance with the limitation set out in this paragraph. For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State ~~on or after July 1, 2012~~ between July 1, 2012 and December 31, 2023, the rating factor used by a carrier for geographic area may not exceed 1.5. For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2024, a carrier may not vary the premium rate due to geographic area.

Sec. 2. 24-A MRS §2808-B, sub-§2, ¶C-1 is amended to read:

C-1. A carrier may vary the premium rate due to geographic area in accordance with the limitation set out in this paragraph. For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State ~~on or after October 1, 2011~~ between October 1, 2011 and December 31, 2023, the rating factor used by a carrier for geographic area may not exceed 1.5. For all policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2024, a carrier may not vary the premium rate due to geographic area.

SUMMARY

This amendment replaces the bill. The amendment prohibits rating on the basis of geographic area in individual and small group health insurance premiums beginning in plan year 2024. Under current law, the maximum rating factor due to geographic area is 1.5.