



Janet T. Mills
Governor

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL
AND FINANCIAL REGULATION
BUREAU OF INSURANCE
34 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0034

Eric A. Cioppa
Superintendent

May 5, 2021

Senator Heather Sanborn, Chair
Representative Denise Tepler, Chair
Joint Standing Committee on Health Coverage, Insurance and Financial Services
100 State House Station
Augusta, ME 04333-0100

Re: L.D. 1357: An Act To Require Private Insurance Coverage for Postpartum Care

Dear Senator Sanborn, Representative Tepler, and Members of the Committee:

The Bureau of Insurance takes no position on LD 1357. The purpose of this letter is to provide you with background information. The bill amends the requirements in current law for insurers providing individual health insurance plans to provide coverage for postpartum care that meets the recommendations of the American College of Obstetricians and Gynecologists effective for plans on or after July 1, 2022. We would suggest moving the effective date to a January 1 date in order to allow carriers time to properly implement the required change. Plan changes are only allowed for ACA plans for 1/1. Please also note that the requirements of this bill would not apply to any small or large group plans offered in the state.

Beginning in 2014, states were required to defray the costs of all mandates that are included in Qualified Health Plans, unless those mandates are required as part of the essential benefit package. The Affordable Care Act (ACA) directs states to make payments either to the individual enrollee or to the insurer.¹ Generally, any mandate adopted by a state after December 31, 2011 has been excluded from the essential benefit package by federal regulators and thus is subject to the requirement for the state to defray the cost. However, if this bill is determined by federal regulators to be the expansion of an existing mandate rather than a new mandate, it is our understanding that the state would not have to defray the cost.

¹ See 45 CFR § 155.170, implementing ACA § 1311(d)(3)(B).



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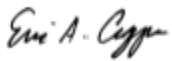
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Title 24-A M.R.S. § 2752 provides for a review and evaluation of a mandated benefit proposal by the Bureau of Insurance before the bill may be enacted. These reviews include an evaluation of the financial impact, social impact and medical efficacy of the mandate. If a report is required it could cost the Bureau up to \$13,500 for outside contract consulting work plus staff time, estimated at a cost of \$1,600 to collect information, review consultant work, and prepare the final report. We anticipate that current resources will allow us to conduct up to two studies during the current session, and we will need eight weeks for each report to ensure a high-quality evaluation.

I hope this information is useful to the Committee. Please let me know if I can provide any further assistance.

Sincerely,



Eric A. Cioppa
Superintendent

cc: Senator Anne Carney, Sponsor