

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND NINETEEN

S.P. 109 - L.D. 368

An Act To Redefine Geographic Association for Multiple-employer Welfare Arrangements**Be it enacted by the People of the State of Maine as follows:**

Sec. 1. 24-A MRSA §2808-B, sub-§2, ¶E, as corrected by RR 2011, c. 1, §40, is amended to read:

E. The superintendent may authorize a carrier to establish a separate community rate for an association group organized pursuant to section 2805-A or a trustee group organized pursuant to section 2806, as long as association group membership or eligibility for participation in the trustee group is not conditional on health status, claims experience or other risk selection criteria and all small group health plans offered by the carrier through that association or trustee group:

- (1) Are otherwise in compliance with the premium rate requirements of this subsection; and
- (2) Are offered on a guaranteed issue basis to all eligible employers that are members of the association or are eligible to participate in the trustee group except that a professional association may require that a minimum percentage of the eligible professionals employed by a subgroup be members of the association in order for the subgroup to be eligible for issuance or renewal of coverage through the association. The minimum percentage must not exceed 90%. For purposes of this subparagraph, "professional association" means an association that:
 - (a) Serves a single profession that requires a significant amount of education, training or experience or a license or certificate from a state authority to practice that profession;
 - (b) Has been actively in existence for 5 years;
 - (c) Has a constitution and bylaws or other analogous governing documents;
 - (d) Has been formed and maintained in good faith for purposes other than obtaining insurance;

- (e) Is not owned or controlled by a carrier or affiliated with a carrier;
- (g) Has at least 1,000 members if it is a national association; 200 members if it is a state or local association;
- (h) All members and dependents of members are eligible for coverage regardless of health status or claims experience; and
- (i) Is governed by a board of directors and sponsors annual meetings of its members.

Producers may only market association memberships, accept applications for membership or sign up members in the professional association where the individuals are actively engaged in or directly related to the profession represented by the professional association.

Except for employers with plans that have grandfathered status under the federal Affordable Care Act, this paragraph does not apply to policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2014 until December 31, 2019. To the extent permitted under the federal Affordable Care Act, this paragraph applies to policies, contracts or certificates that are executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2020.

Sec. 2. 24-A MRSA §6603, sub-§1, ¶¶B and D, as amended by PL 2001, c. 570, §1, are further amended to read:

~~B. Except for those associations meeting the criteria of subsection 1-A, must~~ Must be established by a trade association; industry association; association with employer members representing multiple trades, industries or professions; political subdivision of the State; religious organization; or professional association of employers or professionals that has a constitution or bylaws and that has been organized and maintained in good faith for a continuous period of one year for purposes other than that of obtaining or providing insurance;

~~D. May not be offered, advertised or available to employers or other members of the public generally, except as allowed under subsection 1-A;~~

Sec. 3. 24-A MRSA §6603, sub-§1-A, as enacted by PL 2001, c. 570, §2, is repealed.