

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Require All State Employees To Carry State Health Insurance

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 5 MRSA §285, sub-§2, as amended by PL 1991, c. 780, Pt. Y, §23, is further amended to read:

2. Coverage. Each state employee to whom this section applies is eligible for a group health plan as provided in Title 24-A, sections 2802 to 2812, including major medical benefits or through a self-funded alternative through the Dirigo Health Program pursuant to Title 24-A, section 6910, subsection 4, paragraph D. The provisions of the group insurance policy or policies or the self-funded alternative must be determined, insofar as the provisions are not inconsistent with terms and conditions contained in collective bargaining agreements negotiated pursuant to Title 26, chapter 9-B, by the State Employee Health Commission as provided in section 285-A. The master policy for the group health plan must be held by the Commissioner of Administrative and Financial Services.

Sec. 2. 5 MRSA §285, sub-§3, as amended by PL 1987, c. 731, §3, is further amended to read:

3. Enrollment. Any employee eligible under this section ~~may~~shall join within the first 60 days of employment or during a declared open enrollment period. The filing of necessary applications ~~shall~~be the responsibility of the employer. Effective dates under this section ~~shall be~~are at the discretion of the commission.

Sec. 3. 5 MRSA §285, sub-§5, as amended by PL 1995, c. 368, Pt. G, §1, is further amended to read:

5. Purchase of policies. The commission shall purchase, ~~by competitive bidding, from one or more insurance companies, nonprofit organizations, 3rd-party administrators or any organization necessary to administer and provide a health plan~~ through the Dirigo Health Program pursuant to Title 24-A, section 6910, subsection 4, paragraph D, a policy or policies or contract, to provide the benefits specified by this section. The purchase of policies by the commission must be accomplished by use of a written contract that ~~must be fully executed within 90 calendar days of notification of bid acceptance from the commission to the insurer. In extenuating circumstances, the Commissioner of Administrative and Financial Services may grant a waiver to that 90-day limit.~~ Notwithstanding this subsection, with the consent of the policyholder and of the insurer and at the sole discretion of the commission, existing policies of insurance covering at least 1,000 of the employees defined as eligible by this section may be amended to provide the benefits specified by this section and assigned to the Commissioner of Administrative and Financial Services for the benefit of all those eligible under this section. ~~The company or companies or nonprofit organizations must be licensed under the laws of the State, when applicable. The policy provisions are subject to and as provided for by the insurance laws of this State, when applicable. Notwithstanding any other provisions of law, the term of a contract executed with a successful bidder may not exceed 3 years.~~

Sec. 4. 5 MRSA §285, sub-§9, as enacted by PL 1989, c. 776, §1, is repealed.

Sec. 5. 5 MRSA §285, sub-§13, as enacted by PL 2005, c. 12, Pt. NNN, §1, is amended to read:

13. Contract on pilot basis authorized. ~~Notwithstanding the requirements of subsection 9, paragraph G, the~~The State may enter into a contract on a pilot basis that does not adhere to any geographic access requirements set forth in Title 24-A or rules adopted by the Superintendent of Insurance. The department shall report annually beginning January 15, 2006 to the joint standing committee of the Legislature having jurisdiction over insurance and financial services matters on its progress in establishing and operating a pilot program pursuant to this subsection.

Sec. 6. 24-A MRSA §6910, sub-§4, ¶D is enacted to read:

D. Dirigo Health shall contract with the State Employee Health Commission established in Title 5, section 285-A to arrange for health benefits coverage under a group health plan for eligible state employees pursuant to Title 5, section 285.

Sec. 7. Application. This Act does not apply to any collective bargaining agreements negotiated pursuant to the Maine Revised Statutes, Title 26, chapter 9-B by the State Employee Health Commission as established in Title 5, section 285-A in effect on the effective date of this Act until the expiration of those collective bargaining agreements.

SUMMARY

The bill requires that eligible state employees receive health coverage through the Dirigo Health Program. The bill does not apply to any health coverage plan negotiated pursuant to current collective bargaining agreements.