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Public Law
124th Legislature
Second Regular Session

Chapter 588
H.P. 1148 - L.D. 1620

An Act To Protect Health Care Consumers from Catastrophic Debt

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

Sec. 1. 24-A MRSA §4317 is enacted to read:

§ 4317. Prohibition against maximum aggregate benefit provisions

1. Prohibition. An individual or group health plan issued or renewed by a carrier on or after the effective date of this section may not include a provision in a policy, contract, certificate or agreement that purports to terminate payment of any additional claims for coverage of health care services after a defined maximum aggregate dollar amount of claims for coverage of health care services on an annual, lifetime or other basis has been paid under the health plan for coverage of an insured individual, family or group.

2. Specific benefits. This section may not be construed to limit the ability of a carrier to offer a health plan that limits benefits under the health plan for specified health care services on an annual basis.

3. Exceptions. This section does not apply to:

A. An individual health plan in effect on the effective date of this section with an annual or lifetime maximum aggregate benefit limit of less than \$1,000,000;

B. A health plan designed for an employee who works on a part-time, temporary or seasonal basis or designed as short-term coverage for an employee who is fulfilling a waiting period for coverage under another employer-sponsored benefit plan;

C. An individual health plan in effect on the effective date of this section issued pursuant to a conversion privilege in a group health insurance policy subject to section 2809-A;

D. A pilot project to offer an individual health plan to a person under 30 years of age pursuant to section 2736C, subsection 10; and

E. Blanket health insurance as defined in section 2813.

4. Disclosure. A health plan issued after the effective date of this section that includes an annual or lifetime maximum aggregate benefit limit as permitted under subsection 3 must include a disclosure of the applicable limit on the face page of the individual policy or group certificate. The disclosure must be printed in a font that is larger or bolder than the font used in the body of the face page.

Sec. 2. Rulemaking. The Superintendent of Insurance shall undertake rulemaking in accordance with the Maine Revised Statutes, Title 5, chapter 375 to amend any rule adopted by the Department of Professional and Financial Regulation, Bureau of Insurance that conflicts with this Act. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2A.

Sec. 3. Application. The requirements of this Act apply to all policies, contracts and certificates subject to this Act that are executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2011. For purposes of this Act, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

Effective July 12, 2010