



126th MAINE LEGISLATURE

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Legislative Document

No. 1495

H.P. 1072

House of Representatives, May 2, 2013

An Act To Amend the Laws Pertaining to Employee Health Insurance

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative POULIOT of Augusta.
Cosponsored by President ALFOND of Cumberland and
Representatives: BERRY of Bowdoinham, Speaker EVES of North Berwick, McCABE of Skowhegan, VOLK of Scarborough, WILSON of Augusta, Senator: KATZ of Kennebec.

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

2 **Sec. 1. 5 MRSA §285, sub-§7, ¶C**, as enacted by PL 2009, c. 213, Pt. GG, §1, is
3 amended to read:

4 C. Beginning July 1, 2010, except as provided in subsection 7-A, the State, through
5 the commission, shall pay a share of the individual premium for the standard plan
6 identified and offered by the commission as follows.

7 (1) For an employee whose base annual rate of pay is ~~projected to be~~ less than or
8 equal to \$30,000 on July 1st of the state fiscal year for which the premium
9 contribution is being determined, the State shall pay 95% of the individual
10 premium for the standard plan identified and offered by the commission and
11 available to the employee as authorized by the commission.

12 (2) For an employee whose base annual rate of pay is ~~projected to be~~ greater than
13 \$30,000 and less than \$80,000 on July 1st of the state fiscal year for which the
14 premium contribution is being determined, the State shall pay 90% of the
15 individual premium for the standard plan identified and offered by the
16 commission and available to the employee as authorized by the commission.

17 (3) For an employee whose base annual rate of pay is ~~projected to be~~ \$80,000 or
18 greater on July 1st of the state fiscal year for which the premium contribution is
19 being determined, the State shall pay 85% of the individual premium for the
20 standard plan identified and offered by the commission and available to the
21 employee as authorized by the commission.

22 **Sec. 2. 5 MRSA §285, sub-§7-A**, as amended by PL 2011, c. 1, Pt. FF, §1, is
23 further amended to read:

24 **7-A. Health credit premium program.** Notwithstanding subsection 7, paragraph
25 C, the State may pay a greater proportion of the total cost of the individual premium for
26 the standard plan identified and offered by the commission and available to the employee
27 as authorized by the commission. The commission shall develop a health credit premium
28 program whereby employees are provided incentives to engage in healthy behaviors in an
29 effort to improve the health status of the state employee population and to help reduce
30 costs to the state employee health insurance program. The commission shall define
31 benchmarks for healthy behaviors that, if met by an individual employee, result in the
32 State's paying a greater share of the individual premium. Adjustments to the state share of
33 the individual premium must be applied once each year in advance of the beginning of
34 the plan year.

35 The benchmarks developed by the commission must provide 2 discrete levels for the state
36 share of the individual premium as follows.

37 A. For employees whose base annual rate of pay is ~~projected to be~~ less than or equal
38 to \$30,000 on July 1st of the state fiscal year for which the premium contribution is
39 being determined, the health credit premium program must provide the individual
40 employee meeting the specified benchmarks with the opportunity to have the state
41 share of the individual premium paid at 100% or 95%. The state share is determined
42 by the specific benchmarks met by the employee.

1 B. For employees whose base annual rate of pay is ~~projected to be~~ greater than
2 \$30,000 and less than \$80,000 on July 1st of the state fiscal year for which the
3 premium contribution is being determined, the health credit premium program must
4 provide the individual employee meeting the specified benchmarks with the
5 opportunity to have the state share of the individual premium paid at 95% or 90%.
6 The state share is determined by the specific benchmarks met by the employee.

7 C. For employees whose base annual rate of pay is ~~projected to be~~ \$80,000 or greater
8 on July 1st of the state fiscal year for which the premium contribution is being
9 determined, the health credit premium program must provide the individual employee
10 meeting the specified benchmarks with the opportunity to have the state share of the
11 individual premium paid at 90% or 85%. The state share is determined by the specific
12 benchmarks met by the employee.

13 **SUMMARY**

14 This bill provides that state employee contributions to the cost of the individual
15 health insurance premium and credits for healthy behaviors are based on actual rate of
16 pay rather than projected rate of pay.