

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

No. 716

H.P. 525

House of Representatives, February 4, 1997

An Act to Require Certain Information on Insurance Bills.

Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative SKOGLUND of St. George.
Cosponsored by Representatives: DESMOND of Mapleton, SAXL of Portland, SIROIS of
Caribou, VOLENIK of Brooklin, Senator: KILKELLY of Lincoln.

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

4 Sec. 1. 24-A MRSA §2414-A is enacted to read:

6 §2414-A. Disclosures at time of billing

8 1. Required disclosures. At the time an insured is billed
10 for the cost of an insurance policy or contract, the following
information must be disclosed to the insured on a form
accompanying the billing statement:

12 A. The names and state of residence of the 5 highest-paid
14 officers or executives of the insurance company or nonprofit
organization;

16 B. The salary and benefits, including stock options, of
those executives over the past 12 months; and

18 C. The profits of the insurance company over the past 12
20 months or, in the case of a nonprofit organization, the
financial reserves of the organization.

22 2. Application. The requirements of this section apply to
24 insurance companies licensed in accordance with this Title and to
26 nonprofit hospital, medical or health care service organizations
licensed pursuant to Title 24.

28 **SUMMARY**

30 This bill requires insurers to disclose the names of its 5
32 highest-paid executives or officers, the state of their
34 residence, their salaries and benefit packages and the profits of
the company at the time insureds are billed for an insurance
policy or contract.