

# MAINE STATE LEGISLATURE

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LEGISLATIVE COUNCIL

MARCH 8, 1988

PRELIMINARY AGENDA

CALL TO ORDER

ROLL CALL

SECRETARY'S REPORT

- Summary of March 1, 1988, Council Meeting

DIRECTOR'S REPORT

- Approved Step Increases
- Action to Fill Library Associate Position

REPORTS FROM COUNCIL COMMITTEES

OLD BUSINESS

NEW BUSINESS

- Item #1: Submission of Annual Report by the Maine High Risk Insurance Organization
- Item #2: Application for Legislative Review of Administrative Rules pursuant to 20 M.R.S.A. § 11112. (Letter from Sen. Estes and Rep. Bost, Chairs, Joint Standing Committee on Education).
- Item #3: Request from Maine Low-Level Radioactive Waste Authority to meet with Legislative Council. (Letter from Matthew Scott, Executive Director).
- Item #4: After Deadline Requests

SARAH C. DIAMOND  
EXECUTIVE DIRECTOR  
OF THE LEGISLATIVE COUNCIL



MAINE STATE LEGISLATURE  
OFFICE OF THE EXECUTIVE DIRECTOR  
LEGISLATIVE COUNCIL

LEGISLATIVE COUNCIL

EXECUTIVE DIRECTOR'S REPORT

MARCH 8, 1988

Approved Step Increases

Elizabeth Bartlett, Administrative Secretary (Salary Range 6),  
Office of Policy and Legal Analysis, from Step F to Step  
G, effective March 23, 1988.

Elaine Choate, Senior Secretary (Salary Range 4), Office of  
Policy and Legal Analysis, from Step E to Step F,  
effective March 7, 1988.

Robert Michaud, Associate Librarian (Salary Range 10), Law and  
Legislative Reference Library, from Step D to Step E,  
effective March 5, 1988.

MAINE HIGH RISK INSURANCE ORGANIZATION

February 29, 1988

The Honorable Charles P. Pray, Chair  
Legislative Council  
State House, Station 115  
Augusta, ME 04333

Attention: Sally Diamond, Executive Director

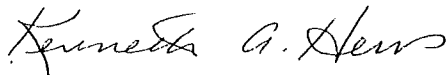
Dear Senator Pray:

It is my pleasure to submit the Maine High Risk Insurance Organization's first annual report. Enclosed you will find twelve copies for your distribution to the Council members.

The Board of Directors looks forward to bringing this new insurance program into effect and to assisting the citizens of Maine who can benefit from this type of program.

Please contact me at 945-7061 if you have any questions or require further information.

Sincerely,



Kenneth A. Hews  
Chairman

/ck

cc: Governor McKernan  
Appropriations & Financial Affairs Committee Chairs  
Banking & Insurance Committee Chairs  
Human Resources Committee Chairs

ANNUAL REPORT  
MAINE HIGH RISK INSURANCE ORGANIZATION  
FEBRUARY 29, 1988

The Maine High Risk Insurance Organization was created by the Legislature in 1987 to provide health insurance to persons who are otherwise unable to obtain coverage for medical reasons. On August 26, 1987, Governor John McKernan appointed the following individuals to the Board of Directors:

Ronald Deprez  
Richard Diamond  
James DiVirgilio  
Kenneth Hews, Chairman  
Elizabeth Kilbreth  
Robert Mitchell  
Michael Reardon

The Board of Directors have met on the following dates:

October 14, 1987  
November 2, 1987  
December 9, 1987  
January 13, 1988  
February 10, 1988

Subcommittees for Finance and Administration, Insurance Plan Design, Request for Proposal, and Public Awareness have been established.

The Board is developing the plans for the implementation of a high risk insurance plan by July 1, 1988. While we have made significant progress to date, much work remains to be done to bring this plan on line before the deadline and to administer the plan fairly.

A Request for Proposal has been developed by the Board and submitted to approximately twenty insurers to provide administering insurer services. It is anticipated that responses will be received by March 1, 1988. Once this organization is selected, the Board will rely heavily on them for detail support of the high risk insurance pool, such as plan design, public awareness, premium and insurance plan administration, etc.

The Board has several concerns as detailed below:

1. Financing. The amount of resources may be inadequate to provide the necessary reserves to insure up to 300 high-risk individuals. Although revenues are capped both from premium income and hospital assessments, the amount of claims are unknown. This may create a significant financial problem.
2. Staff Support. There is a lack of provision for staff support in this legislation. We believe staff support is necessary to accomplish our objectives.

ANNUAL REPORT  
MAINE HIGH RISK INSURANCE ORGANIZATION  
1987  
PAGE TWO

3. 300 limit. We are concerned that this program is limited, potentially reaching only 300 individuals. The Board feels this number will be met quickly, thus excluding many individuals needing health insurance. This program targets primarily middle to upper income individuals, and it does not provide access to insurance for the working poor who may not be covered by other governmental programs.
4. Hospital Assessment. The hospital assessment issue is one that requires careful consideration by the Board and the Legislature. Some members consider it a tax on hospitals and on those who pay for care, and believe the assessment should be broader based in terms of taxing individuals through general revenues. This issue becomes even more significant when one considers the current Medicare freeze and the resulting disproportionate share paid by other payors of healthcare.

The Board, through submission of an operating budget to the leadership of the House and Senate, has requested the Legislature to approve the maximum allowable assessment to hospitals for the first year. This amount will be needed to cover the claims for the 300 insured individuals.

The Board members of the Maine High Risk Insurance Organization continue to work toward accomplishing its objectives in a short timeframe. With the cooperation of the Legislature, we look forward to providing a much-needed service to those who cannot obtain health insurance because of medical reasons. Since this is a demonstration project, we expect to make specific recommendations to the Legislature next year.

/ck

**SENATE**

**STEPHEN C. ESTES**, DISTRICT 35, CHAIR  
**JUDY C. KANY**, DISTRICT 17  
**EDWIN C. RANDALL**, DISTRICT 7

**DAVID ELLIOTT**, LEGISLATIVE ANALYST  
**JULIE FORTIN**, COMMITTEE CLERK



**HOUSE**

**STEPHEN M. BOST**, ORONO, CHAIR  
**JAMES R. HANDY**, LEWISTON  
**WILLIAM O'GARA**, WESTBROOK  
**JAMES V. OLIVER**, PORTLAND  
**MARGE L. KILKELLEY**, WISCASSET  
**JUDY PARADIS**, FRENCHVILLE  
**KENNETH L. MATTHEWS**, CARIBOU  
**MARY E. SMALL**, BATH  
**WILLIAM F. LAWRENCE**, PARSONSFIELD  
**OMAR P. NORTON**, WINTHROP

STATE OF MAINE  
ONE HUNDRED AND THIRTEENTH LEGISLATURE  
COMMITTEE ON EDUCATION

February 26, 1988

Sarah C. Diamond,  
Executive Director  
Legislative Council  
State House Sta. #115  
Augusta, ME 04333

Dear Sally:

As required by 20-A MRSA §11113, members of the Joint Standing Committee on Education have reviewed the application for legislative review of certain Maine State Museum rules. This letter is to notify you that more than 1/3 of the full committee has determined that the public interest would be served by review of the rules in question and the Committee is prepared to go forward with a review.

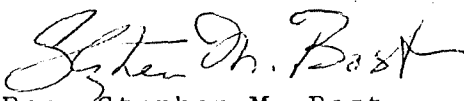
As you are aware, 20-A MRSA §11112 requires an application for legislative review of rules to be submitted on behalf of 100 or more "registered voters." The application in question has 130 signatures. However, members of the Committee have no independent way of verifying whether these are signatures of registered voters. Therefore, we recommend that you, in conjunction with our committee staff and the Secretary of State's Office, begin immediately to work out a process to verify that at least 100 of the signatures are of registered voters. If the signatures are found to be valid, the Committee will schedule a public hearing on the rule.

Finally, the Committee believes the rules review law is unclear as to who bears the responsibility for verifying that signatures on an application are of registered voters. We understand that a bill, LD 1651, currently before the Joint Standing Committee on State and Local Government, could serve as a vehicle to clarify that point. We recommend that the Committee be informed of this concern and encouraged to take appropriate action.

Please contact either of us or any member of the Committee if you have any questions.

Sincerely,

  
Sen. Stephen C. Estes

  
Rep. Stephen M. Bost

4063\*



# MAINE LOW-LEVEL RADIOACTIVE WASTE AUTHORITY

99 Western Avenue,  
Suite 101  
Augusta, Maine 04330  
(207) 626-3249

Matthew Scott  
Executive Director



## Authority Members

Peter DeAngelis, Chairman  
Meredith H. Murray, Vice Chairman  
Edward S. Boulos  
Thomas E. Eastler, Ph.D.  
John F. Gibbons, M.D.  
Sheldon G. Richardson  
Walter Anderson, State Geologist

March 4, 1988

Sen. Charles P. Pray, Chairman  
Legislative Council  
State House Station #115  
Augusta, Maine 04333

Dear Charlie:

The members of the Maine Low-Level Radioactive Waste Authority do hereby request a brief meeting with the Legislative Council, at some time convenient to you, after March 15, 1988.

This new Authority is now actively pursuing their function of carrying out the law as passed in 1987 and would like to report briefly on their progress and plans of operation.

A close working relationship with members of both political parties is absolutely essential to ensure support and agreement in this endeavor.

Awaiting your pleasure.

Best Regards,

*Matt*

MATTHEW SCOTT  
Executive Director

MS/cd

LEGIALTIVE COUNCIL

AFTER DEADLINE REQUESTS

MARCH 8, 1988

SPONSOR: Rep. Dellert

An ACT to Clarify the Definition of  
Earnable Compensation

SPONSOR: Sen. Maybury

AN ACT Relating to the Provisions of  
Charter of the Veasie Sewer District

Cosponsor:

Rep. Bost

SPONSOR: Sen. Usher

An ACT to Provide an Exemption That Requires  
Ten Square Miles of Drainage Area Above a  
Discharge Point into a Watershed

SPONSOR: Sen. Webster

AN ACT to Allow Joel Batzell of West Farmington to  
Sue the State of Maine (by request)

(Re making it illegal for DEP to change the  
classification of waste being imported into the  
State)