

# MAINE STATE LEGISLATURE

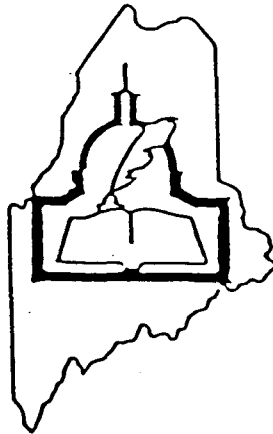
The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

STATE OF MAINE  
ONE HUNDRED AND TWELFTH LEGISLATURE  
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON  
BUSINESS AND COMMERCE  
BILL SUMMARY



MAY 1986

PREPARED BY:

Jeri Gautschi, Legal Analyst

OFFICE OF POLICY AND LEGAL ANALYSIS  
STATE HOUSE, STATION 13 AUGUSTA, MAINE 04333  
(207) 289-1670



HELEN T. GINDER, DIRECTOR  
HAVEN WHITESIDE, ASST. DIRECTOR  
GILBERT W. BREWER  
DAVID C. ELLIOTT  
MARTHA E. FREEMAN  
JERI B. GAUTSCHI  
CHRISTOS GIANOPOULOS  
WILLIAM T. GLIDDEN, JR.

STATE OF MAINE  
OFFICE OF POLICY AND LEGAL ANALYSIS  
ROOM 101/107  
STATE HOUSE STATION 13  
AUGUSTA, MAINE 04333  
TEL.: (207) 289-1670

JULIE S. JONES  
JOHN B. KNOX  
EDWARD POTTER  
MARGARET J. REINSCH  
LARS H. RYDELL  
JOHN R. SELSER  
ANDREA L. COLNES, RES. ASST.

ONE HUNDRED AND TWELFTH LEGISLATURE  
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE  
BILL SUMMARIES  
MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-AM	Ought to Pass as Amended
ONTF	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

SUMMARY: The language of the bill limits the interest which may be charged on lender credit cards to not more than 6 percentage points above the index rate. This was not the intent of the sponsor. The sponsor intended to have language in the bill that would establish a variable rate credit card system in Maine while maintaining the 18% interest rate cap.

LD            AN ACT TO AUTHORIZE PREFERRED PROVIDER            PL 1985  
2290        ARRANGEMENTS IN MAINE AND TO ESTABLISH A CASH        c. 704  
             RESERVE REQUIREMENT FOR HEALTH MAINTENANCE  
             ORGANIZATIONS

Sponsor:

Committee Report: New Draft of LD 2068

H-627    BRANNIGAN

H-644    BRANNIGAN            H            S

SUMMARY: The original bill, LD 2068, defines and sets forth specific financial, reporting, and operational requirements for Preferred Provider Organizations (PPO's). The bill requires utilization review, geographic accessibility, some level of reimbursement for nonpreferred providers, and yearly options to choose between health plans where more than one is offered. The bill exempts PPO's from per se violations of state antitrust laws. Health Maintenance Organizations (HMO's) are required to maintain a cash reserve under this bill.

The new draft deletes the exemption in the bill from per se antitrust violations. A provision setting the level for reimbursement for nonpreferred providers at 80% was added. The new draft also adds a section requiring employers with 25 or more employees who offer an HMO to also offer a traditional plan.

House Amendment "A" (H-627) and House Amendment "B" (H-644) both add language to clarify the 80% reimbursement provision.

LD            AN ACT RELATING TO HANDLING FEES AND UNREDEEMED            INDEF PP  
2348        DEPOSITS IN THE RETURNABLE CONTAINER LAW

Sponsor:

Committee Report: Majority New Draft of LD 2103

H-658    ARMSTRONG

SUMMARY: See LD 2103.